



19 February 2024

HON. RAPHAEL PERPETUO M. LOTILLA

Chairperson and DOE Secretary

HON. OLIVER MARIO B. BUTALID

President and Chief Executive Officer (PCEO)

PHILIPPINE NATIONAL OIL COMPANY (PNOC)

PNOC Building 6, Energy Center, Rizal Drive
Bonifacio Global City, Taguig City

RE: TRANSMITTAL OF 2024 PERFORMANCE SCORECARD

Dear Secretary Lotilla and PCEO Butalid,

This is to formally transmit the 2024 Charter Statement and Strategy Map (**Annex A**) and 2024 Performance Scorecard (**Annex B**) of PNOC. The same is to be posted in PNOC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

The PNOC-proposed Charter Statement and Strategy Map were RETAINED while the Performance Scorecard submitted through its letter dated 27 October 2023² was MODIFIED based on the discussions made during the Technical Panel Meeting (TPM) held on 12 December 2023, evaluation of revised documents submitted through a letters dated 19 December 2023³ and 15 February 2024,⁴ and finalized during the Performance Target Conference (PTC) held on 19 February 2024.

We remind PNOC that Item 6 of GCG M.C. No. 2023-01⁵ requires GOCCs to submit its Quarterly Targets within 15 calendar days from receipt of the GCG-approved Performance Scorecard. Moreover, Item 7 of the same Circular directs GOCCs to accomplish the requisite Quarterly Monitoring Reports detailing its progress in accomplishing its performance targets. The Quarterly Monitoring Reports should disclose substantial changes in circumstances that were unforeseen during the TPM that may affect the timely achievement of targets.

FOR PNOC'S INFORMATION AND COMPLIANCE.

Very truly yours,

ATTY. MARIUS P. CORPUS

Chairperson

ATTY. BRIAN KEITH F. HOSAKA

Commissioner

ATTY. GERALDINE MARIE B.

BERBERABE-MARTINEZ

Commissioner

¹ CODE OF CORPORATE GOVERNANCE FOR GOCCs, dated 28 November 2012.

² Officially received by the Governance Commission on 31 October 2023.

³ Officially received by the Governance Commission on 22 December 2023.

⁴ Officially received by the Governance Commission on 16 February 2024.

⁵ PERFORMANCE EVALUATION SYSTEM (PES) FOR THE GOCC SECTOR, dated 19 January 2023.



2024 CHARTER STATEMENT AND STRATEGY MAP (Annex A)



PNOC
The Energy Company

VISION

By 2028,
PNOC is recognized
as a strategic niche player
in the Philippine energy
industry

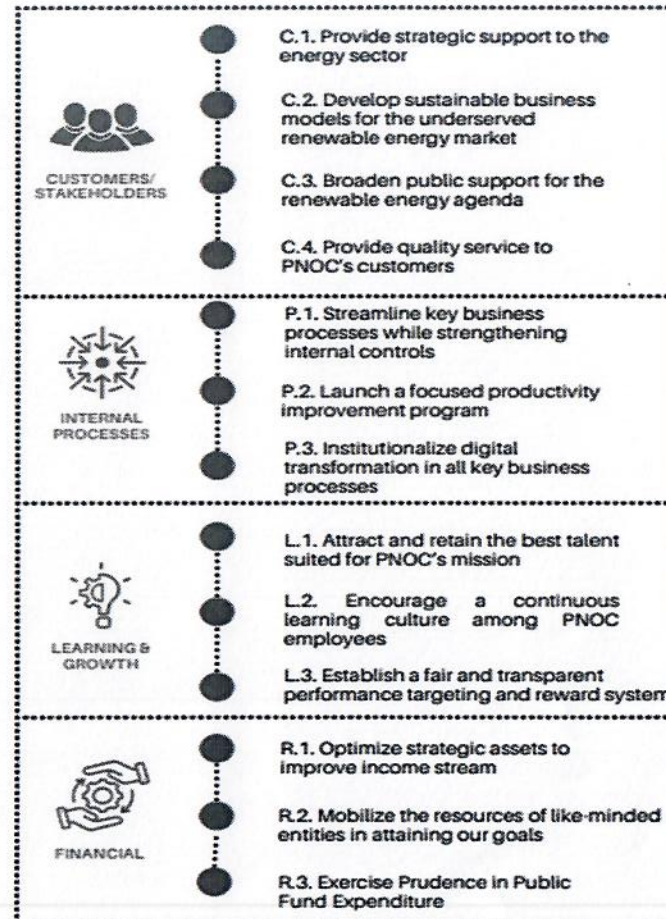
MISSION

To complement the efforts
of the private sector in
developing energy sources
and in broadening the
adoption of renewable
energy technologies in the
most cost effective manner.

CORE VALUES

Productivity Oriented
Resourceful
Innovative
Determined
Enthusiastic

STRATEGIC OBJECTIVES



MC

A

PHILIPPINE NATIONAL OIL COMPANY (PNOC)

Component		Baseline			Targets				
Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023	2024	
CUSTOMERS/ STAKEHOLDERS	SO 1 Provide Strategic Support to the Energy Sector								
	SM 1 Retail Electricity Supplier	Actual Accomplishment	5.00%	All or Nothing	N/A	N/A	N/A	N/A	Secure Retail Electricity Supplier License*
		Actual Accomplishment	10.00%	All or Nothing	N/A	N/A	N/A	N/A	MOU with Identified Government Agencies for an Aggregate 10 MW Electricity Demand
	SO 2 Develop Sustainable Business Models for the Undeserved Renewable Energy Market								
	SM 2 Electric Vehicle Fast Charging Station	Actual Accomplishment	10.00%	All or Nothing	N/A	N/A	N/A	N/A	Business Plan that covers at least 10 tourist destinations

Component				Baseline				Targets		
	Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023	2024	
CUSTOMERS/ STAKEHOLDERS	SM 3	Rooftop Solar PV System for Government Entities	Actual Accomplishment	25.00%	Actual over Target	N/A	N/A	PNOC President Approved Concept Proposal entitled Development of Decentralized Energy System/s (DES) Project-approved on 16 March 2022	Board-Approved Detailed Feasibility Study (DFS) on Decentralized Energy Systems (DES) using Renewable Energy (Solar PV Technology)	Signed MOA with Government Agencies for an aggregate capacity of 5 MW
	SO 3	Broaden Public Support for the Renewable Energy Agenda								
	SO 4	Provide Quality Service to PNOC's Customers								
	SM 4	Percentage of Satisfied Customers/ Clients	Number of Satisfied Clients over Total Number of Clients	10.00%	Actual over Target	89.60% Satisfied Customers	96% Satisfied Customers	96.23% Satisfied Customers	90% Satisfied Customers	90% ¹ Satisfied Customers
		Based on the Results of the PNOC ARTA Client Satisfaction Measurement Surveys	[No. of Strongly Agree plus Agree Answers over Total Number of Respondents minus No. of "NA" answers]		If less than 80% = 0%					
	Sub-total		60.00%							

¹ Based on GCG – ARTA Joint Memorandum Circular No. 1, s. 2023. Covers external customers only.

Component					Baseline			Targets		
	Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023	2024	
INTERNAL PROCESSES	SO 5	Streamline Key Business Processes While Strengthening Internal Controls								
	SM 5	Pass Certification - ISO 9001:2015 Quality Management Systems for PNOC Head Office	Actual Accomplishment	5.00%	All or Nothing	Passed ISO 9001:2015 Recertification Audit	Passed 1st Surveillance Audit	Passed 2nd Surveillance Audit	Pass Re-Certification	Pass 1st Surveillance Audit
	SM 6	Implementation of PNOC Information Systems Strategic Plan (ISSP)	Actual Accomplishment	5.00%	Actual over Target	N/A	N/A	N/A	N/A	Awarded contract for the development and implementation of 2 Systems (PIMS and CAS)
	Sub-total		10.00%							
	SO 6	Launch a Focused Productivity Improvement Program								
LEARNING AND GROWTH	SO 7	Institutionalize Digital Transformation in all Key Business Processes								
	SO 8	Attract and Retain the Best Talent Suited for PNOC's Mission								
	SM 7	Percentage of Employees with Required Competencies Met	Number of Employees with Required Competencies Met over Total Number of Employees	5.00%	All or Nothing	71.20%	76%	84.38%	Increase from 2022 Baseline	Increase from 2023 Baseline

Component			Baseline					Targets		
	Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023	2024	
LEARNING AND GROWTH	SO 9	Encourage a Continuous Learning Culture Among PNOG Employees								
	SO 10	Establish a Fair and Transparent Performance Targeting and Reward System								
		Sub-total	5.00%							
FINANCIALS	SO 11	Optimize Strategic Assets to Improve Income Stream								
	SM 8	Disposal of Banked Gas	Actual Accomplishment	10.00%	Actual over Target	Board-approved MOU/NDA with a Potential Buyer of Banked Gas	Board-approved Term Sheet	11.08 PJ	Delivery of 3 Petajoules (PJ) of Banked Gas	Delivery of 1.30 PJ of Banked Gas
	SO 12	Mobilize the Resources of Like-Minded Entities in Attaining our Goals								
	SO 13	Exercise Prudence in Public Fund Expenditure								
	SM 9	Budget Utilization Rate	Actual Disbursement over Approved Budget for CO and MOOE	5.00%	Actual over Target	N/A	N/A	26.31%	90%	90%

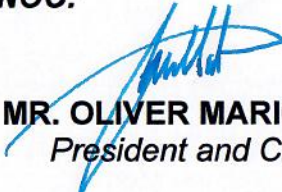
Component			Baseline				Targets		
	Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023	2024
FINANCIALS	SM 10	Operating Profit Margin <i>Total Revenues less Operating Expenses (PS and MOOE) over Total Revenues</i> <i>(Note: Total Revenue excludes Petron Lease, Sale of Banked Gas, Interest Income, FOREX Gain, Dividend Income, and Non-cash Items)</i>	10.00%	Actual over Target	N/A	N/A	N/A	N/A	10%
	Sub-total		25.00%						
	TOTAL		100%						

* As communicated with GCG on February 26, 2024

For GCG:


ATTY. MARIUS P. CORPUS
Chairperson

For PNOC:


MR. OLIVER MARIO B. BUTALID
President and CEO (PCEO)