





13 March 2025

HON. RAPHAEL PERPETUO M. LOTILLA

Secretary, Department of Energy and PNOC Chairperson

HON. OLIVER B. BUTALID

President and Chief Executive Officer (PCEO)

PHILIPPINE NATIONAL OIL COMPANY

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

RE: TRANSMITTAL OF 2025 CHARTER STATEMENT STRATEGY MAP AND 2025 PERFORMANCE SCORECARD

Dear Secretary Lotilla and PCEO Butalid,

This is to formally transmit the 2025 Charter Statement and Strategy Map (Annex A) and the 2025 Performance Scorecard (Annex B) of the PHILIPPINE NATIONAL OIL COMPANY (PNOC), to be posted on the PNOC's website in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.1

The PNOC's proposed Charter Statement, Strategy Map, and Performance Scorecard submitted through letter dated 21 October 2024² were MODIFIED based on: (i) discussions made during the Technical Panel Meeting (TPM) held on 17 December 2024; (ii) evaluation of revised documents submitted through the PNOC's letters 20 January 2025, 11, 21, and 28 February 2025, and 03 and 06 March 2025;³ and (iii) agreements made during the Performance Target Conference held on 11 March 2025.

Item 9 of GCG M.C. No. 2024-01⁴ mandates GOCCs to accomplish the requisite Quarterly Monitoring Reports (*i.e.*, PES Form 4) for the calendar year, detailing their progress in accomplishing their performance targets. The Quarterly Monitoring Reports should also disclose substantial changes in circumstances, if any, that were unforeseen during the TPM that may affect the timely achievement of the GOCC's targets.

FOR THE 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

ENHANCED PERFORMANCE EVALUATION SYSTEM (PES) FOR THE GOCC SECTOR, dated 28 June 2024.



¹ Code of Corporate Governance for GOCCs, dated 28 November 2012.

² Officially received by the Governance Commission on 28 October 2024.

³ Officially received by the Governance Commission on 24 January 2025, 11 February 2025, 04 March 2025, 28 February 2025, 03 March 2025, and 06 March 2025.



STRATEGY MAP

"THINK GLOBAL. ACT LOCAL - ALWAYS WITH PARTNERS"



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.



WISION

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

CORE VALUES



Productivity - oriented



Resourceful



Innovative



Determined



Enthusiastic



CUSTOMER CONTRACT

- C.1. Act as Strategic Catalyst to the Energy Sector in partnership with the private sector
- C.2. Provide Energy-Related Services to Government Entities
- C.3. Provide Responsive Services to PNOC Stakeholders
- C.4. Create Awareness about the complexities of the Energy Sector through Innovative Communication Activities



🗫 CORE PROCESS

- P.1. Create Organizational Efficiency in all aspects
- P.2. Establish an Enterprise Risk Management Program across the organization
- P.3. Institutionalize a Partner Engagement Program (Private & Government)
- P.4. Implement a Principle-Based Quality Management System





LEARNING & GROWTH

- L.1. Create a Robust Knowledge Management Framework
- L.2. Create a PNOC Talent and Resources Pool (Internal and External)
- L.3. Institutionalize a Responsive Performance Management System
- L.4. Strengthen the ARMILY Culture



FINANCIAL

- F.1. Optimize Assets for Improved Income Streams
- F.2. Mobilize Partner Resources to Achieve PNOC's Goals
- F.3. Establish an effective COB Planning and Approval Process that is aligned to PNOC's Strategic Objectives

PHILIPPINE NATIONAL OIL COMPANY

| | | Component | | | Bas | seline | Targets | | | | | |
|------|---|--|------|---|--|--|---|--|--|--|--|--|
| | Objective/Measure | Formula | Wt. | Rating System | 2022 | 2023 | 2024 | 2025 | | | | |
| so | Act as a Strategic Catalyst to the Energy Sector in partnership with the private sector | | | | | | | | | | | |
| SM | Batangas Offshore Wind Power Integration Port | Actual Accomplishment | 7.5% | All or Nothing | N/A | N/A | N/A | Board-Approved Project Memorandum | | | | |
| SM | 2 Self-Generating Industrial Park (SGIP) | Actual Accomplishment | 10% | All or Nothing | N/A | N/A | N/A | Board-Approved Project Memorandum | | | | |
| so | 2 Provide Energy-Related | Provide Energy-Related Services to Government Entities | | | | | | | | | | |
| SM | Rooftop Solar PV System for Government Agencies | Actual Accomplishment | 10% | (Actual / Target) x Weight | 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 | Commercial Operations of 500 kWp | | | | |
| SM | Ground-Mounted Solar Project with the National Irrigation Administration (NIA) | Actual Accomplishment | 7.5% | All or Nothing | N/A | N/A | Secured Retail Electricity Supply License | Board-Approved Detailed Feasibility Study (DFS) for the proposed 7 MW Solar PV Project | | | | |
| so | | | | | | | | | | | | |
| SM | 5 Customer Satisfaction Survey (CSS) | Number of Satisfied Clients over Total Number of Clients | 10% | (Actual / Target) x Weight (If less than 80% = 0%) | 96.23% Satisfied Customers | 98.77% Satisfied Customers | 90% Satisfied Customers | 90% ¹ Satisfied Customers | | | | |
| so 4 | Create Awareness about | Create Awareness about the complexities of the Energy Sector through Innovative Communication Activities | | | | | | | | | | |
| | | Sub-total | 45% | | | | .,, | | | | | |

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

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| | Component | | | | | Baseline | | Targets | | | | |
|------------------|-----------|--|---|----------|-------------------------------|--|---|---|---|--|--|--|
| | | Objective/Measure | Formula | Wt. | Rating System | 2022 | 2023 | 2024 | 2025 | | | |
| | SO 5 | Create Organizational Efficiency in all Aspects | | | | | | | | | | |
| OCESS | SM 6 | Percentage of Implementation Information System Strategic Plan (ISSP) | Number of Deliverables Due for 2025 Completed over Total Number of Deliverables Due for 2025 ² | 5% | (Actual / Target) x Weight | N/A | N/A | Awarded contract for the development and implementation of 2 Systems (PIMS and CAS) | 100% attainment of Deliverables based on the Amended 2025 ISSP | | | |
| LPF | SO 6 | Establish an Enterprise Risk Management Program across the organization | | | | | | | | | | |
| INTERNAL PROCESS | SO 7 | Institutionalize a Partner Engagement Program (Private & Government) | | | | | | | | | | |
| | SO 8 | Implement a Principle-Bas | sed Quality Managemen | t System | | | | | | | | |
| | SM 7 | Compliance to Quality Standards (ISO QMS) | Actual Accomplishment | 5% | All or Nothing | Passed 2 nd Surveillance Audit | Pass Re-Certification | Pass 1 st Surveillance Audit | ISO 9001:2015 Certification ³ | | | |
| | | | Sub-total | 10% | - 1 | | | | | | | |
| | SO 9 | Create a Robust Knowledge Management Framework | | | | | | | | | | |
| | SO 10 | Create a PNOC Talent and Resource Pool (Internal and External) | | | | | | | | | | |
| GROWTH | SM 8 | Percentage of Employees with Required Competencies Met | Increase number of Employees with matched competencies from 2024 baseline | 5% | All or Nothing | 84.38% | 86.54% (Increase of 2.16% from 2022 Baseline) | Increase from 2023 Baseline | Increase from 2024 Competency Level | | | |
| AND | SO 11 | Institutionalize a Responsive Performance Management System | | | | | | | | | | |
| LEARNING | SM 9 | Development and Implementation of Disaster Risk Reduction and Management (DRRM) Plan | Actual Accomplishment | 5% | All or Nothing | N/A | N/A | N/A | Board-Approved Public Service Continuity Plan (PSCP) | | | |
| | SO 12 | Strengthen the ARMILY C | Culture | | | | | | | | | |
| | | | Sub-total | 10% | | | | // // | | | | |

Deliverables refer to system/applications.
 Covers PNOC Head Office only.

PNOC | Page 3 of 4 2025 PERFORMANCE SCORECARD

| | | | Component | | | Bas | eline | ne Ta | | | | |
|------------|-------|---|---|-----|-------------------------------|----------|-----------|--------------------------------------|-----------------------------------|--|--|--|
| | | Objective/Measure | Formula | Wt. | Rating System | 2022 | 2023 | 2024 | 2025 | | | |
| FINANCIALS | SO 13 | 3 Optimize Assets for Improved Income Streams | | | | | | | | | | |
| | SM 10 | Disposal of Banked Gas | Actual Accomplishment | 15% | (Actual / Target) x Weight | 11.08 PJ | 11.485 PJ | Delivery of 1.30 PJ of Banked Gas | Delivery of 9 PJ of Banked Gas | | | |
| | SO 14 | Mobilize Partner Resources to Achieve PNOC's Goals | | | | | | | | | | |
| | SO 15 | Establish an Effective COB Planning and Approval Process that is aligned to PNOC's Strategic Objectives | | | | | | | | | | |
| | SM 11 | Budget Utilization Rate | Actual Disbursement over Approved Budget for CO and MOOE | 5% | (Actual / Target) x Weight | 26.31% | 27.52% | 90% | 90% | | | |
| | SM 12 | Net Profit Margin | Total Revenues less Total Expenses over Total Revenue | 15% | (Actual / Target) x Weight | N/A | N/A | 10% | 53% | | | |
| | | <u> </u> | Sub-total | 35% | | | | | | | | |
| | | TOTAL | | | | | | | | | | |

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| Bonus Strategic Measures and Targets | | | | | | | | | |
|--------------------------------------|--|--------------------------|----------|----------------|---------|------|------|---------------------------------|--|
| | С | | Baseline | | Targets | | | | |
| | Objective/Measure | Formula | Wt. | Rating System | 2022 | 2023 | 2024 | 2025 | |
| FINANCIAL | GAD Budget Utilization Rate | Actual Accomplishment | 1% | All or Nothing | N/A | N/A | N/A | 5% of Total Budget | |
| 10 | ISO Certification on any of the following standards: | | | | | | | | |
| INTERNAL PROCESS | Environmental Management System Certification | Actual Accomplishment | - 1% | All or Nothing | N/A | N/A | N/A | ISO 14001:2015 Certification | |
| | Business Continuity Management System (BCMS) | Actual Accomplishment | | All or Nothing | N/A | N/A | N/A | ISO 22301:2019 Certification | |

For GCG:

For PNOC:

ATTY. BRIAN KEITH F. HOSAKA Commissioner MR. OLIVER B. BUTALID

President and CEO