



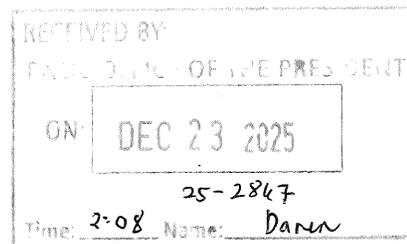
Office of the President of the Philippines
GOVERNANCE COMMISSION
 FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
 3/F, BDO Towers Paseo, 8741 Paseo De Roxas, Makati City, Philippines 1226



17 December 2025

HON. SHARON S. GARIN
 Secretary, Department of Energy (DOE)
 and PNOC Chairperson

HON. MA. CRISTINA SHEILA C. CABARABAN
 President and Chief Executive Officer (PCEO)
PHILIPPINE NATIONAL OIL COMPANY
 G/F PNOC Building 5, Energy Center, Rizal Drive
 Bonifacio Global City, Taguig City



**RE : VALIDATION RESULT OF THE 2024
PERFORMANCE SCORECARD OF PNOC**

Dear Secretary Garin and PCEO Cabaraban,

This is to formally transmit the validation result of the 2024 Performance Scorecard of the **PHILIPPINE NATIONAL OIL COMPANY (PNOC)**. Based on the Governance Commission's validation of the GOCC's documentary submissions, the PNOC obtained an overall score of **70.29% (Annex A)**. The same is to be posted on PNOC's website, in accordance with Section 43 of GCG Memorandum Circular (MC) No. 2012-07.¹

FOR PNOC'S INFORMATION AND GUIDANCE.

Very truly yours,




ATTY. MARIUS P. CORPUS
 Chairperson


**ATTY. GERALDINE MARIE B.
 BERBERABE-MARTINEZ**
 Commissioner

cc: COA Resident Auditor – PNOC

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



PHILIPPINE NATIONAL OIL COMPANY (PNOC)
Validated 2024 Performance Scorecard

Component				Target	PNOC Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	2024	Actual	Rating	Actual	Rating		
CUSTOMERS/ STAKEHOLDERS	SO 1	Provide Strategic Support to the Energy Sector								
		Actual Accomplishment	5%	All or Nothing	Secure Renewable Energy Supply License	Unable to secure the Renewable Energy Supply License	-	Unable to secure the Renewable Energy Supply License	0%	Excluded measure.
	SM 1	Retail Electricity Supplier (RES)								
		Actual Accomplishment	10%	All or Nothing	MOU with Identified Government Agencies for an Aggregate 10 MW Electricity Demand	No MOUs were signed	-	No MOUs were signed	0%	Excluded measure.
										• Letter from ERC re Denial on PNOC's application for RES license

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Component					Target	PNOC Submission		GCG Validation		Supporting Documents	Remarks																	
Objective/Measure	Formula	Wt.	Rating System	2024	Actual	Rating	Actual	Rating																				
SO 2 Develop Sustainable Business Models for the Undeserved Renewable Energy Market																												
SM 2	Electric Vehicle Fast Charging Station	Actual Accomplishment	10%	All or Nothing	Business Plan covers at least 10 tourist destinations as approved by the Board	Business Plan covering 13 tourist destinations	-	Cannot be validated	0%	<ul style="list-style-type: none"> Business Plan for Electric Vehicle Fast Charging Station 	<p>Target not met.</p> <p>While PNOC was able to submit a copy of a Business Plan that covers thirteen (13) tourist destinations, the Company was unable to provide the Board-approved Business Plan. The Business Plan in partnership with TIEZA was neither transmitted to TIEZA nor presented to the PNOC Board or PNOC Management, as the project was shelved following the budget cut approved by the Senate. It is worth noting that the 2024 General Appropriations Act (GAA) was approved on 11 December 2023. The budget considerations should have been taken into account prior to the finalization of the Performance Scorecard held during the Performance Target Conference on 11 March 2024.</p>																	
INTERNAL PROCESS	SM 3	Rooftop Solar PV System for Government Entities	Actual Accomplishment	25%	Actual over Target	Signed MOA with Government Agencies for an aggregate capacity of 5 MW rooftop solar PV systems	5.488 MW	-	6.688 MW	25%	<ul style="list-style-type: none"> Memorandum of Agreements with Government agencies 	<p>PNOC signed Memorandum of Agreement (MOA) with Government Agencies for an aggregate capacity of 5.488 MW, details as follows:</p> <table border="1"> <thead> <tr> <th>GOVERNMENT AGENCIES</th> <th>MEGAWATT (MW)</th> </tr> </thead> <tbody> <tr> <td>NFA</td> <td>5.100</td> </tr> <tr> <td>ACWD</td> <td>0.198</td> </tr> <tr> <td>NEDA IV-A</td> <td>0.050</td> </tr> <tr> <td>TWD</td> <td>0.035</td> </tr> <tr> <td>CWD</td> <td>0.025</td> </tr> <tr> <td>TESDA</td> <td>0.080</td> </tr> <tr> <td>Total</td> <td>5.488</td> </tr> </tbody> </table>	GOVERNMENT AGENCIES	MEGAWATT (MW)	NFA	5.100	ACWD	0.198	NEDA IV-A	0.050	TWD	0.035	CWD	0.025	TESDA	0.080	Total	5.488
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Objective/Measure	Formula	Wt.	Rating System	2024	Actual	Rating	Actual	Rating			
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 Based on the Results of the PNOC ARTA Client Satisfaction Measurement Surveys	Number of Satisfied Clients over Total Number of Clients [No. of Strongly Agree plus Agree Answers over Total Number of Respondents minus No. of "NA" answers]	10%	Actual over Target If less than 80% = 0%	90%	98.69%	-	97.80%	10%	<ul style="list-style-type: none"> Final Compliance Status of the Client Satisfaction Measurement Report Submissions of GOCCs Covered by RA No. 10149 for CY 2024, dated 03 July 2025 	The result is based on the responses of clients availing external services only. The CSM score refers to the percentage of respondents who rated 'Agree' and 'Strongly Agree' for <i>Service Quality Dimension 0: "I am satisfied with the services that I availed."</i>
Sub-total		60%						35%			
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%	All or Nothing	Pass 1 st Surveillance Audit	The 1 st Surveillance Audit was not undertaken.	-	The 1 st Surveillance Audit was not undertaken.	0%	<ul style="list-style-type: none"> 4th Quarter Monitoring Report of performance target for 2024 	<p><i>Target not met.</i></p> <p>PNOC's Management Review and 1st Surveillance Audit were not executed.</p> <p>The request for reconsideration is <u>DENIED</u>.</p> <p>It is worth noting that the QMS certification forms part of the Agency Accountability Requirements under Section 5.0 of the AO 25 Memorandum Circular (MC) No. 2023-1. In line with this, GCG MC 2024-01 prescribes the QMS certification requirement as a standard measure applicable across all GOCCs. Hence, internal organizational issuances, such as OPM 24-2024 and OPM 34-2024, cannot serve as sufficient justification for non-compliance with the mandated ISO surveillance audit, as these do not supersede or exempt PNOC from adhering to the prescribed standards.</p>

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INTERNAL PROCESS

Component					Target	PNOC Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure		Formula	Wt.	Rating System	2024	Actual	Rating	Actual	Rating			
INTERNAL PROCESS	SM 6	Implementation of PNOC Information Systems Strategic Plan (ISSP)	Actual Accomplishment	5%	Actual over Target	Awarded contract for the development and implementation of 2 Systems: Property Inventory Management System (PIMS) and Computerized Accounting System (CAS)	Awarded contract for the development and implementation of 1 System: Asset Inventory Management System (AIMS) ²	-	Awarded contract for the development and implementation of 1 System (AIMS)	5%	<ul style="list-style-type: none"> • Notice of Award, Notice to Proceed, and Contract for the Procurement of Asset Inventory Management System (AIMS) • Memorandum re Rebidding of the Procurement of Computerized Accounting System (CAS) • BAC Resolution No. 2024-023 	<p>PNOC has awarded contract for the development and implementation of the AIMS, in accordance with the Department of Information and Communication Technology (DICT) endorsed Information Systems Strategic Plan (ISSP).</p> <p>On the other hand, the request for reconsideration for CAS is APPROVED.</p> <p>The delay in implementing the CAS was due to failed biddings, which were beyond PNOC's direct control.</p>
	SO 6	Launch a Focused Productivity Improvement Program										
	SO 7	Institutionalize Digital Transformation in all Key Business Processes										
	SO 8	Attract and Retain the Best Talent Suited for PNOC's Mission										
LEARNING AND GROWTH	SM 7	Percentage of Employees with Required Competencies Met	Number of Employees with Required Competencies Met over Total Number of Employees	5%	All or Nothing	Increase from 2023 Baseline	Increase from 2023 Baseline by an additional 9 employees who matched their competency gap	-	Increase from 2023 Baseline	5%	<ul style="list-style-type: none"> • Summary 2024 Baseline Competency Monitoring • Employee Competency Assessment Forms • List of Exempted employees in the assessment • List of new hires in 2024 	<p>For 2024, 83 out of 92 (90.22%) PNOC employees met their required competencies for their respective positions. This is a 3.68% increase from the 2023 validated competency level of 86.54%.</p>
	SO 9	Encourage a Continuous Learning Culture Among PNOC Employees										
	SO 10	Establish a Fair and Transparent Performance Targeting and Reward System										
				Subtotal	15%						10%	

² For 2024, PNOC opted to rename the system to "Asset Inventory Management Systems (AIMS) instead of "Property Inventory Management Systems."

Component					Target	PNOC Submission		GCG Validation		Supporting Documents	Remarks												
Objective/Measure	Formula	Wt.	Rating System	2024	Actual	Rating	Actual	Rating															
SO 11	Optimize Strategic Assets to Improve Income Stream																						
SM 8	Disposal of Banked Gas	Actual Accomplishment	10%	Actual over Target	Delivery of 1.30 Petajoules (PJ) of Banked Gas	Delivered a total of 8.96 Petajoules of Banked Gas	-	Delivered a total of 8.956 Petajoules of Banked Gas	10%	<ul style="list-style-type: none"> Monthly Delivery Report for Banked Gas Reconciliation of Banked Gas Sales 	PNOC delivered a total of 6.414 PJ to San Gabriel Plant of First NatGas Power Corporation and 2.649 PJ to Avion Power Plant of Prime Meridian PowerGen Corporation, for a total of 8.956 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 (BUR)	Actual Disbursement over Total Approved Budget for CO and MOOE	5%	Actual over Target	90%	28.68%	-	22.21%	1.23%	<ul style="list-style-type: none"> Budget Utilization Report as submitted to ICRS COA Audited FS (Statement of Comparison of Budget and Actual Amounts) PNOC submitted computation of the BUR 	The breakdown of the computed BUR for 2024 is as follows: <i>In Millions</i> <table border="1"> <thead> <tr> <th>PARTICULARS</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>Actual Disbursement</td> <td>385.11</td> </tr> <tr> <td>MOOE</td> <td>263.50</td> </tr> <tr> <td>CO</td> <td>121.61</td> </tr> <tr> <td>ADJUSTED COB</td> <td>1,733.79</td> </tr> <tr> <td>BUR (%)</td> <td>22.21%</td> </tr> </tbody> </table>	PARTICULARS	AMOUNT	Actual Disbursement	385.11	MOOE	263.50	CO	121.61	ADJUSTED COB	1,733.79	BUR (%)	22.21%
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FINANCIAL

Component				Target	PNOC Submission		GCG Validation		Supporting Documents	Remarks											
Objective/Measure		Formula	Wt.	Rating System	2024	Actual	Rating	Actual			Rating										
FINANCIAL	SM 10	Operating Profit Margin (OPM)	Total Revenues less Expenses (PS and MOOE) over Total Revenues (Note: Total Revenue excludes Petron Lease, Sale of Banked Gas, Interest Income, FOREX Gain, Dividend Income, and Non-cash Items)	10%	Actual over Target	10%	-3.85%	-	-18.28%	0%	<p>The breakdown of the computed Operating Profit Margin for 2024 is as follows:</p> <table border="1"> <thead> <tr> <th>PARTICULARS</th> <th>AMOUNT In Millions</th> </tr> </thead> <tbody> <tr> <td>Total Operating Income, excluding Rent Income, Sales Revenue from Banked Gas, Interest Income, Donations, Gain on ForEx, Gain on SIP, and other non-operating income</td> <td>394.02</td> </tr> <tr> <td>Operating Expenses</td> <td>466.04</td> </tr> <tr> <td>Operating Profit/ (Loss)</td> <td>(72.02)</td> </tr> <tr> <td>Operating Profit Margin (OPM)</td> <td>-18.28%</td> </tr> </tbody> </table> <p>The request for reconsideration is DENIED. During the TPM, it was PNOC who conveyed its intent to measure its Operating Income excluding passive income derived from Passive Income derived from Banked Gas, Petron Lease, Interest Income, and FOREX Gains. The proposed measure, corresponding target, and formula for the target were all based on the submission of PNOC and deliberated during the Performance Target Conference (PTC).</p> <ul style="list-style-type: none"> • PNOC Operating Profit Margin Computation • COA Audited Statement of Comprehensive Income for 2024 	PARTICULARS	AMOUNT In Millions	Total Operating Income, excluding Rent Income, Sales Revenue from Banked Gas, Interest Income, Donations, Gain on ForEx, Gain on SIP, and other non-operating income	394.02	Operating Expenses	466.04	Operating Profit/ (Loss)	(72.02)	Operating Profit Margin (OPM)	-18.28%
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Operating Profit Margin (OPM)	-18.28%																				
Subtotal			25%						11.23%												
Total Excluded Weight			20%																		
TOTAL			100%						56.23% / 80% = 70.29%												

Annex A Reviewed and Certified Correct by:


ATTY. MARICOR E. LACAMBACAL
 Director IV
 Corporate Governance Office B


KENNETH M. RAFOLS
 Director III
 Corporate Governance Office B