



PNOC
The Energy Company

ANNUAL REPORT 2021



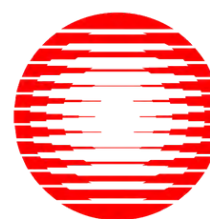
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ABOUT THE COVER

PNO C was confronted with unforeseen disruptions in 2021, from an early termination of an agreement to the deaths or resignations of Board members to a postponement of projects. Yet those who have been left behind took up the challenge and continued on, propelling the Company forward, making sure that the Company accomplished its commitments, and preparing it to double time to achieve its strategic objectives. This has inspired this year's theme: "Marching On" - to go or continue onward.



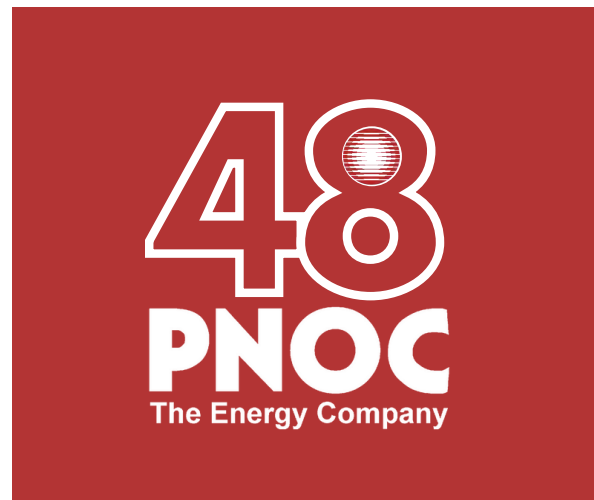
PNO C
The Energy Company

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COMPANY PROFILE

Presidential Decree No. 334 in 1973 created the Philippine National Oil Company as a government-owned and controlled corporation in response to the oil crisis of the 70s. It was mandated to provide and maintain an adequate and stable supply of oil and petroleum products for domestic requirements, promote the exploration, exploitation and development of local oil and petroleum sources; and foster oil or petroleum operation conditions conducive to a balanced and sustainable growth of the company. Presidential Decree 927 expanded PNOC's Charter in 1976 to include exploring and developing non-oil and indigenous energy resources.

With 48 years in the energy business, the PNOC serves as the corporate arm of the Department of Energy and continues as a critical contributor to the implementation of the 2020 - 2040 Philippine Energy Plan.



VISION

By 2030, PNOC has provided vital energy resource/development and energy infrastructure conducive to a clean environment and balanced and sustainable economic growth.

MISSION

Through the efforts and initiatives of world-class professionals, PNOC is committed to:

1. Develop and implement projects and programs in a financially prudent and responsible manner aimed at increasing the country's self-sufficiency level in oil, gas, and other energy sources;
2. Foster sustainable and environment-friendly sources of energy and promote energy efficiency and conservation; and
3. Maintain the highest standard of service and corporate governance.

2021 CORPORATE OBJECTIVES

GCG-APPROVED TARGETS

STRATEGIC AND FINANCIAL OBJECTIVES	MEASURE/TARGET
CONTRIBUTE TO ENERGY SECURITY TARGETS	
Petroleum Products Sourcing, Storage and Distribution Project	Hiring of Detailed Feasibility Study Consultant for the SPR Project
ESTABLISH A COMPREHENSIVE RELATIONSHIP MANAGEMENT FOR MUTUALLY BENEFICIAL LINKAGES WITH KEY STAKEHOLDERS	
Percentage of Satisfied Customers	90% Satisfied Customers (Lessees, PAFC locators, and ESB Customers)
MAINTAIN A SOUND FINANCIAL CONDITION	
Net Income	PHP 231.21 Million
MAINTAIN EFFICIENT MANAGEMENT OF PNOC ENERGY FACILITIES	
Compliance to Integrated Management System (IMS) Standards (PNOC Industrial Park)	Pass 2nd Surveillance Audit
Compliance to Quality Management Systems (QMS) Standards for Energy Supply Base Operations (Systems and Procedures)	Pass 1st Surveillance Audit
OPTIMIZE ASSET PRODUCTIVITY	
Energy Supply Base Warehouse Occupancy Rate	90% occupancy of the total 23,600 square-meters
Maintain Efficiency in the Conduct of Security Evaluation on Foreign Vessels	100% Conduct of the Declaration of Security (DOS) within 24 hours upon berth of the foreign vessel at Energy Supply Base Pier
Improvement/Upgrade of Energy Supply Base Facilities	Completion of Construction of New Fence at ESB Main Gate
Number of PDMC Assets Utilized/Disposed of at a Gain	Disposal through sale of 5 additional Costa Verde Properties
Disposal of Banked Gas	Board-Approved Term Sheet
ACQUIRE, DEVELOP, RETAIN, AND MOTIVATE TALENTS FOR PEAK PERFORMANCE	
Percentage of Employees with Required Competencies Met	Increase from 2020 Baseline
DEVELOP, IMPLEMENT, AND MAINTAIN EFFICIENT AND EFFECTIVE SYSTEMS	
Compliance to Quality Standards (PNOC Head Office)	Pass 1st Surveillance Audit

2021 CORPORATE PERFORMANCE

FINANCIAL PERFORMANCE INDICATOR

- Net income of **PHP 927.61 Million**

NON-FINANCIAL PERFORMANCE INDICATORS

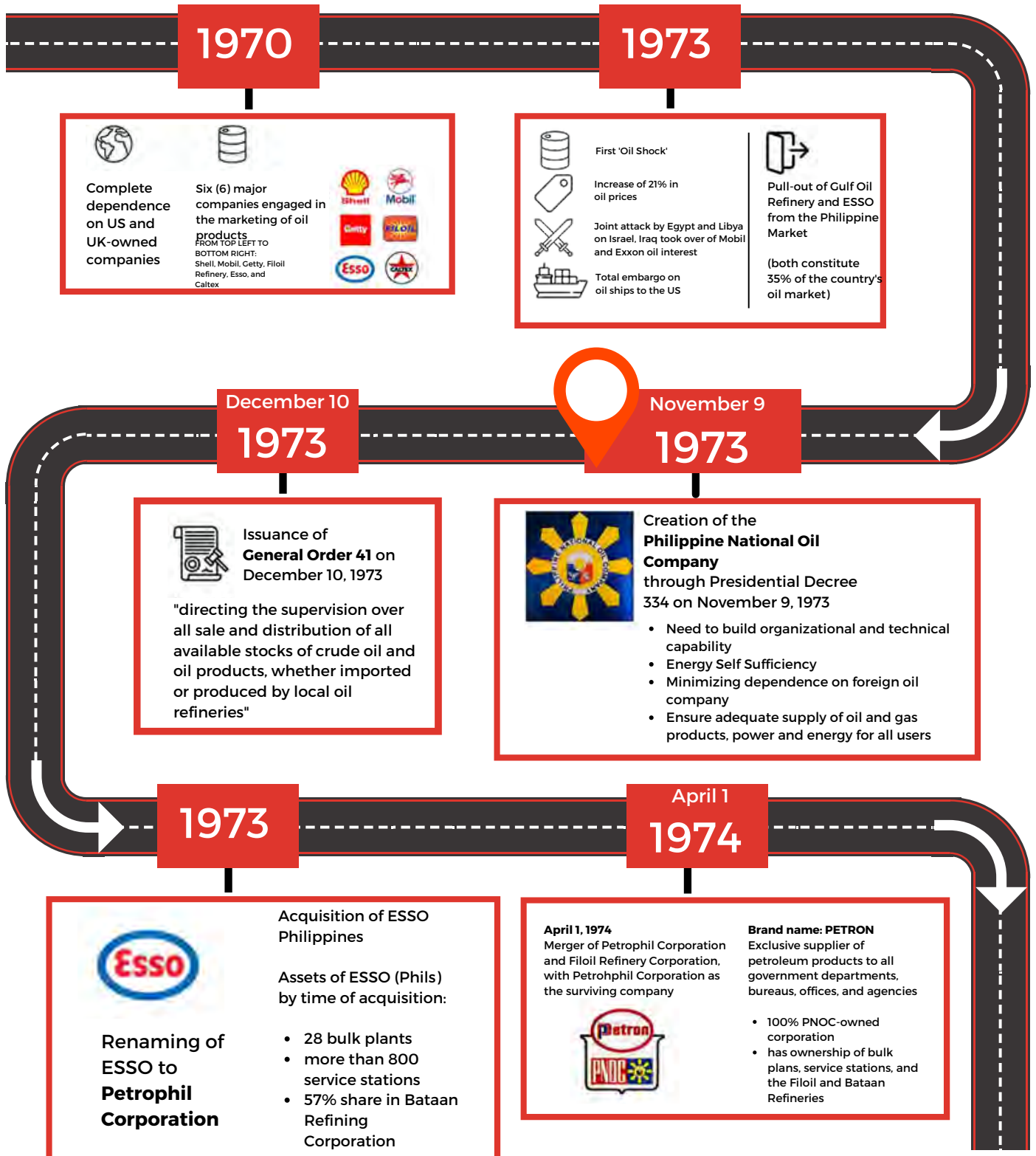
- Satisfaction rating of **98%** for Customers Satisfaction Survey
- Passed **2nd** Surveillance Audit for PIP's ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018
- Passed **1st** Surveillance Audit for ESB's ISO 9001:2015 and ISO 45001:2018
- Passed **1st** Surveillance Audit for PNOC HO's ISO 9001:2015
- **93.85%** Occupancy Rate of the total 23,600 sqm ESB Warehouse Capacity
- **100%** declaration of security on all foreign vessels berthed at ESB port
- **Completed** construction of New Fence at the ESB Main Gate
- Disposed through Sale of **7** Costa Verde Properties
- Executed **2 Gas Sales and Purchase Agreements** for banked gas
- Employees' Competency Rate of **90.74%**

2021 PNOC PERFORMANCE SCORECARD

95% **OVERALL RATING**

*2021 scorecard is currently being reviewed and validated by the GCC

THIS IS HOW WE STARTED



1974-1986



PNOC and its Subsidiaries

- Purposely organizing subsidiaries
- Spin-off an energy activity managed by a specific department
- Creation of 24 subsidiaries
 - Energy Exploration and Development
 - Transport and Logistics
 - Petroleum Refining/Marketing

1980

CONGLOMERATE APPROACH TO MANAGEMENT

The approach enabled the key executives to concentrate on their respective tasks without having to worry about how to finance or staff their activities because PNOC as the mother company serviced these needs. Once PNOC acquired sufficient confidence to spin off an energy activity managed by a specific department, the subsidiary was set up.

PNOC

Energy Exploration and Management

- Malangas Coal Corporation
- PNOC Alcohol Corporation
- PNOC Coal Corporation
- PNOC Enercon Corporation
- PNOC Energy Development Corporation
- PNOC Energy Drilling, Inc.
- PNOC Energy Supply Base, Inc.
- PNOC Geothermal Technology Corporation
- PNOC Exploration Corporation

Transport and Logistics

- Petron Tankers Corporation
- Petrophil Tankers Corporation
- PNOC Crude Oil tankers, Inc.
- PNOC Dockyard and Engineering Corporation
- PNOC Marine Corporation
- PNOC Oil Carriers, Inc.
- PNOC Petroleum Carriers Corporation
- PNOC Petroleum Tanker, Inc.
- PNOC Shipping and Transport Corporation
- PNOC Tankers Corporation

Petroleum Refining/Marketing

- Bataan Refining Corporation
- Filoil Refinery Corporation
- Petrophil Corporation
- Petron TBA Corporation
- PNOC Petrochemical Development Corporation

1986

Reorganization of PNOC

COA Opinion dated October 9, 1986

"the contract of service resulted in an absurd situation where the subsidiary virtually absorbed the parent company"

1973-1992

- PNOC with only one regular employee
- Chairperson acting as President and CEO
- Manpower requirement provided by Petrophil

1993

Decentralization of PNOC

- Full manpower complement
- Functioned as a parent and holding company
 - Exercised general control, supervision, and coordinative authority over subsidiaries through:
 - Membership in Governing board
 - Retention of financial control
 - Assignment of principal officials
 - Requirement of periodic reports
 - Holding of regular meetings and planning conference

2015-2017

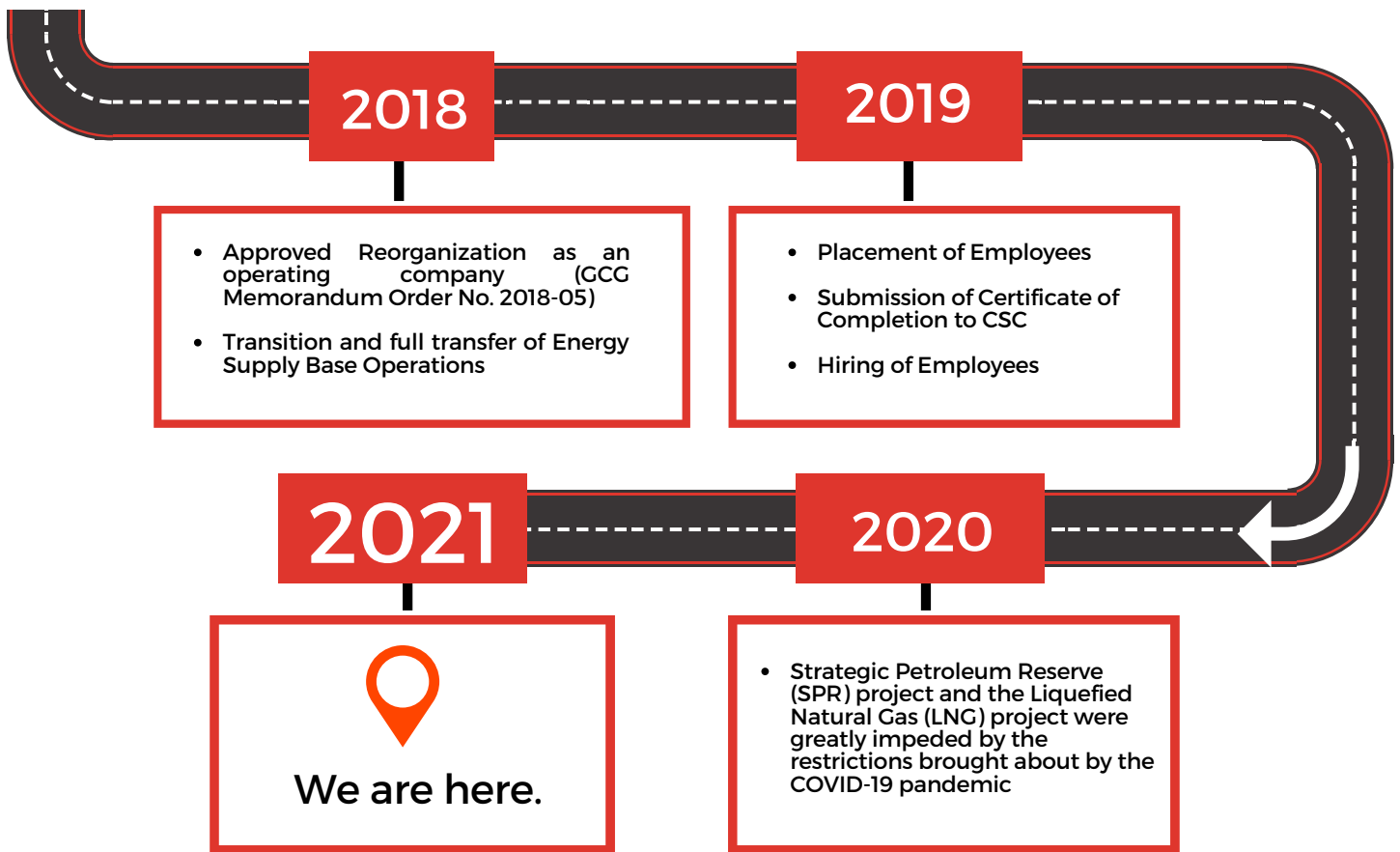
- Transition and absorption of the plans, programs, projects, functions and accountabilities of PNOC AFC and PNOC DMC
- Preparation and submission of the Reorganization Plan as a parent and operating company
- Turnover of Energy Supply Base from PNOC EC to PNOC

October 2014

- Mandate to organize as an operating company
- Abolition of PNOC Alternative Fuels Corporation (PNOC AFC) and PNOC Development and Management Corporation (PNOC DMC)

1993-2011

From 1993 to 2011, PNOC functioned as the parent and holding company over its subsidiaries. All these changed when GCG was created in June 6, 2011 and overshadowed the supervisory authorities of PNOC as the parent company.



THIS IS WHERE WE ARE NOW



2021 may be described as a year of disruptions.

First, PNOC, as in the past years, derived its income mainly from its sale of banked gas, earnings from short and long-term investments in banks, lease rentals from various property holdings, and income from its Energy Supply Base operations. It is ironic that one disruption, the early termination of the Gas Sales and Purchase Agreement (GSPA) with the Pilipinas Shell Petroleum Corporation, gave PNOC a windfall of P768 million in additional revenues for the year. This significant amount has resulted to a 77% increase in net income over 2020 figures.



Secondly, despite the vaccination drive among its employees, PNOC continued to implement the Alternative Work Arrangement/Work From Home arrangement due to the intermittent community quarantine/lockdowns in 2021 and the new variants of the COVID 19. While there were more regular report-to-office days than in 2020, meetings were still held via teleconferencing applications rather than face to face. We are proud that the PNOC Head Office, Energy Supply Base (ESB), and the PNOC Industrial Park (PIP) successfully passed their respective ISO certification surveillance audits through days of seemingly endless Zoom meetings.



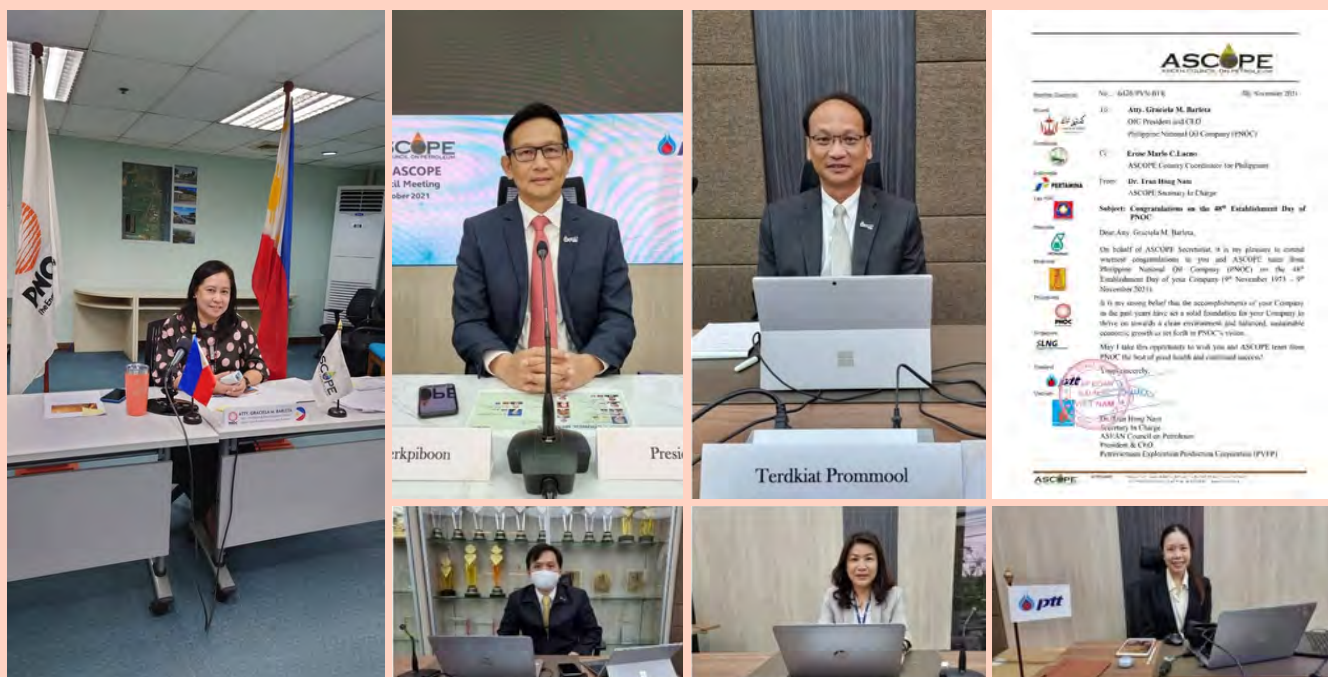
On February 26, 2021, the Board approved the ESB Port Development Detailed Feasibility Study, Detailed Engineering Design and Environmental Impact Assessment that was completed on December 15, 2020. However, on October 20, 2021, the Board decided not to award the construction of the ports due to changes in economic conditions. In the meantime, PNOC continued to secure the necessary clearances and permits for the ESB Port Development Project.

Another disruption was the lack of quorum of the Board of Directors which prevented the conduct of the Strategic Planning Session scheduled in October 2021 for the 5-year period of 2022 to 2026. The first event was the death of Director Hermann Roy M. Atienza on March 31, 2021, followed by the demise of President and CEO Reuben S. Lista on August 31, 2021. By October 2021, the remaining Board was further reduced with the resignations of Board members who had filed their Certificates of Candidacy for the 2022 national elections.

During the Special Board Meeting held on September 3, 2021, the Board of Directors appointed Senior Vice President for Energy Business Graciela M. Barleta as Officer-in-Charge (OIC) President and Chief Executive Officer (CEO), in accordance with Governance Commission for GOCCs Memorandum Circular No. 2012-09 (Fourth Issue). SVP Graciela M. Barleta served as OIC President and CEO for the rest of the year.

Under OIC President and CEO Barleta, Senior Management proceeded with its Operations Planning Workshop with a proposed set of 2022-2026 strategic directions ready for presentation to the Board of Directors.

The Company also participated in the 46th ASEAN Council on Petroleum (ASCOPE) Meeting on October 25, 2021. PNOC provided updates regarding its priorities and key strategic plans for 2021 and beyond, such as developing vital energy infrastructure, continuing the evolution of existing energy resource development projects, and optimizing asset productivity by monetizing its banked gas.



Despite the disruptions and reversals, PNOC continued forward, fulfilling its obligations, exercising its duties and responsibilities, and even exceeding its financial and non-financial commitments.

PNOC'S PROJECTS

MONETIZATION/UTILIZATION OF PNOC'S BANKED GAS



Banked gas is the accumulated unused gas of the Ilijan Power Plant, amounting to 108.6 Petajoules due to the underutilization of the plant's Take-or-Pay Quantity (TOPQ) within the period 2002 to 2007. Under the Take-or-Pay (TOP) scheme, a fixed quantity of gas is being paid for by the power plant whether they use the gas or not. The banked gas was originally paid for by the Government of the Philippines (GOP), through the Net Government Share, as assistance to the National Power Corporation, then owner of the Ilijan Power Plant. The payment satisfied the plant's TOPQ provisions of their Gas Sales Purchase Agreement (GSPA) with the Service Contract No. 38 (SC38) Consortium. In September 2009, PNOC purchased from DOE all the rights, benefits, and entitlements of the banked gas.

In 2013, the Power Sector Assets and Liabilities Management Corporation (PSALM) withdrew 4.61 PJ from PNOC's inventory of banked gas for the Ilijan power plant.

Another portion, equivalent to 2.71 PJ, was offtaken by Pilipinas Shell Petroleum Corporation (PSPC) from June 2018 to January 2021 for its Tabangao refinery in Batangas. The GSPA between PNOC and PSPC has been mutually terminated effective July 23, 2021. Upon the termination of the GSPA, a portion of PSPC's contracted gas was reverted to the PNOC inventory. At this point, PNOC's remaining volume of banked gas was equivalent to 101.28 PJ.

The PNOC Board of Directors approved on November 11, 2021, the Gas Sale and Purchase Agreements (GSPAs) between PNOC and two new buyers. The same GSPAs were subsequently submitted to and favorably reviewed by the Office of the Government Corporate Counsel (OGCC), resulting in the signing and execution of the GSPAs between PNOC and the buyers. The delivery of the banked gas commenced on December 26, 2021.



THE MALAMPAYA PLATFORM

PNOC'S PROJECTS

ESTABLISHMENT OF STRATEGIC PETROLEUM RESERVE (SPR)



Strategic Petroleum Reserves (SPR) are large stockpiles of crude oil and/or petroleum products stored in facilities around the country (and possibly overseas) released during local or international oil supply disruptions.

To undertake a program that will mitigate the country's vulnerability to the threat of oil supply and price disruptions, the DOE has mandated PNOC, through DOE MO 2019-11-0001, to conduct a feasibility study and formulate an implementation plan for the establishment and operation of the National SPR. This endeavor aligns with PNOC's mandate as a government corporation: to ensure an adequate and stable supply of oil and petroleum products for the country's domestic needs.

In 2021, the DOE's Department Circular No. 2021-09-0028 on Establishing the Philippines Strategic Petroleum Program (SPR) became effective.

The establishment of an SPR program aims to ensure the long-term stability and security of oil supply in the country even in times of geopolitical events, calamities, or emergencies that induce global supply disruptions.

The envisioned SPR shall be a combination of the following:

- a) Crude oil and petroleum products importation, storage, and distribution facilities established within and outside the country (domestic and overseas SPRs);
- b) Partnerships with government agencies and private entities; and

- c) Interconnected pieces of legislation, mechanisms, and guidelines that would guide the project from development to operation.

The National SPR Program is considered an extensive undertaking that aims to provide an oil stockpile, crude oil or finished petroleum products, or a mixture of both, equivalent to 90 days of the country's domestic oil requirements. Such magnitude and considerable funding required for an all-encompassing SPR will necessitate implementing the program in phases, depending on the resources available.

The COVID 19 pandemic lockdowns postponed the engagement of a Project Transaction Advisor from 2020 to 2021. The TA shall be tasked to prepare a detailed feasibility study for the project, among other tasks. However, 2021 saw four failed biddings, even with revised terms of reference (TOR).

The request for expression of interest for the engagement of a TA was first published in PhilGeps from May 11 to 18, 2021 but resulted in a failed bid. The failed second round of publication (August 3 to 10, 2021) prompted a review and revision of the terms of reference (TOR). The third round of bidding (October 5 to 12, 2021) and the fourth round of posting (October 19 to 26, 2021) still yielded failed bids.

On November 9, 2021, PNOC met with the DOE to discuss the SPR Review and Evaluation Committee (REC) organization according to Department Circular No. 2021-09-0028. The TOR was also submitted to DOE for a REC review prior to a possible re-bid or pursuing other alternative modes of procurement.

BUSINESS OPERATIONS

INDUSTRIAL PARK OPERATIONS

The Park Management Department manages the PNOC Industrial Park (PIP), a 530-hectare property located in Limay and Mariveles, Bataan. The PIP is home to locator companies involved in the Petrochemical and Energy-related industries. It provides essentials such as raw and firewater, power, and jetty services to its locators. The PIP regularly maintains and upgrades its facilities and equipment to serve its clients better.

The PIP holds the Programmatic Environmental Compliance Certificate, the only one of its kind in the Philippines granted by the Department of Environment and Natural Resources (DENR).

To retain this distinction, the management of the PIP enforces strict compliance to Health, Safety, and Environmental protocols, establishing its Health, Safety, Security and Environmental (HSSE) Program.

The PNOC Industrial Park has maintained its ISO IMS Certified status for its Quality Management Systems (ISO 9001:2015), Occupational Health and Safety Management Systems (ISO 45001:2018), and Environmental Management Systems (ISO 14001:2015). The PIP passed its second Surveillance Audit conducted on December 3, 2021, for the above international certifications and will re-certify its processes in 2022.



THE PNOC INDUSTRIAL PARK

BUSINESS OPERATIONS

ENERGY SUPPLY BASE (ESB) OPERATIONS

The PNOC Energy Supply Base (ESB) is a 19.2-hectare property located in Mabini, Batangas. On June 24, 1977, the Letter of Instruction No.563 directed PNOC to provide easy availability and accessibility of support and logistics facilities for onshore and offshore exploration activities in petroleum and other energy-related fields. ESB has since then extended its services to other commercial clients pursuant to the grant of a Permit- to-Operate as a private commercial port (Certificate of Registration No. 291) granted in October 1996 by the Philippine Ports Authority (PPA). It was initially part of the PNOC Exploration Corporation, but in February 2017, the PNOC and PNOC-EC Boards approved the transfer of operations of the ESB from PNOC-EC to PNOC. PNOC-EC completed the transition and turnover of ESB's operations and corporate services to PNOC on December 31, 2017.

Thus, on January 1, 2018, administration and operations were assumed by PNOC.

In 2019, the PNOC Management commissioned the conduct of a Detailed Feasibility Study (DFS), Detailed Engineering Design (DED), and Environmental Impact Assessment (EIA) for the development of its port facilities and eventual full implementation of the ESB Master Development Plan. In 2020, the DFS, DED & EIA were finalized and reviewed by Management for presentation and approval by the PNOC Board. PNOC has programmed the development of the Batangas port to allow extension of the piers to reach the 12-15 meters depth of Batangas Bay. The new pier will provide the support and logistic facilities as PNOC EC and other exploration service contract holders aggressively pursue their exploration activities.



THE PNOC ENERGY SUPPLY BASE



The ESB Port Development Project includes the reclamation of 37,270 sqm. along Batangas Bay and requires a reclamation permit from the Philippine Reclamation Authority. PRA requires a Certificate of No Objection for processing reclamation projects or reclamation components of development/infrastructure projects.

To comply with the pre-qualification requirements of the PRA, PNOC requested the Sangguniang Panlalawigan ng Batangas, through the Office of the Governor, for the issuance of a Certificate of No Objection to the ESB Port Development Project. PNOC first presented the project to the Governor and provincial executives. Appreciating the project, the Office of the Governor issued a Certificate of No Objection to the project and endorsed the project to the Sangguniang Panlalawigan.

A committee hearing on the requested certification was conducted by the Sang-

guniang Panlalawigan ng Batangas Committee on Housing and Land Utilization on September 21, 2021. In its regular session on October 11, 2021, the Sangguniang Panlalawigan ng Batangas approved Resolution No. 1077 expressing No Objection to the PNOC Energy Supply Base and Port Development Project, including the reclamation of a component area of 37,270 square meters along Batangas Bay.

On November 15, 2021, ESB successfully passed the Integrated Management System 1st Surveillance Audit after its original certification last December 2020. ESB is now certified for Quality Management System ISO 9001 series 2015, and Occupational Health and Safety Management System ISO 45001 series 2018 certifications.

ESB's operations have successfully contributed a total annual gross revenue of PHP 120,210,090.53, exceeding its target revenue of PHP 109,502,047.00 for 2021.

BUSINESS OPERATIONS

ASSET MANAGEMENT

Asset Management entails ensuring the best use of all real estate properties of PNOC. Performing this function is PNOC's Asset Management Department under the Office of the Senior Vice President for Energy Investments. It is also the primary unit that PNOC taps to perform its mandate to administer the real estate assets of its former subsidiaries: PNOC Alternative Fuels Corporation (PAFC) and PNOC Development and Management Corporation (PDMC). For PDMC, the inventory consists of residential lots and condominium units, commercial and industrial lots, and properties for distribution to socialized housing beneficiaries. For PAFC, the properties covering more or less 330 hectares make up its Industrial Park in Bataan that accommodates petrochemical and energy locators and lessees.

As part of PNOC's strategic objective to optimizing asset productivity, PNOC was able to achieve more than what it committed in this area to the Governance Commission for GOCC's under its 2021 Performance Commitment. From the original commitment to sell five (5) inventory properties, PNOC was able to execute a total of eight (8) Deeds of Absolute Sale (DOAS) for PDMC, specifically, seven (7) lots in Rosario, Cavite, and one (1) condominium unit in Sta. Mesa, Manila

Worth mentioning also is the company's achievement of leasing idle office areas/idle properties to generate additional income for PNOC for the next one (1) to fifteen (15) years. AMD was able to execute Contracts of Lease (COL), as follows:

	LOCATION	CONTRACT DURATION	NUMBER OF CONTRACT OF LEASE
OFFICE SPACE	Energy Center	Energy Center	4
LAND	Batangas	6 months	2
LAND	Cebu	10 years	1
LAND	PNOC/PAFC Ind. Park	15 years	2

PNOC, PAFC, and PDMC assets generated approximately Php42M, Php7.7M, and Php15.1M, respectively, in additional gross revenues for the company in CY2021.

ACCOMPLISHMENTS Done to Address the COVID-19 Pandemic

2021 saw new variants of the COVID 19 spreading quickly across the world, not sparing the Philippines despite the stringent protocols followed by the country. The community quarantines and lockdowns have arrested the spread of the dreaded Delta variant but have delayed the return to a normal life.

To reduce the exposure of its employees, PNOC continued to implement the Alternative Work Arrangements (AWAs) with the adoption of Work from Home (WFH) arrangements throughout the year. At the same time, an even more trimmed down skeletal workforce of essential personnel staffed the offices during the Enforced Community Quarantine lockdowns.

During the year, PNOC continued to implement for PNOC employees and support staff the policy guidelines on the workforce and workplace safety for the prevention and control of COVID-19 (safety measures infographics; plastic barriers; thermal scanning; health declaration forms, foot signages, UV for daily disinfection of external documents, meeting rooms, and offices; and distribution of alcohol, surgical masks, and face shields, among others). It also facilitated RT-PCR tests to ensure that those suspected or confirmed COVID 19

positive employees were fully recovered before returning to work.

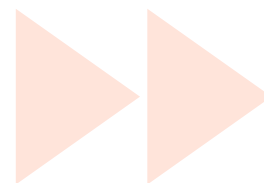
Fortunately, vaccines became available in 2021 and were provided by the national government for all its citizens. The company, in turn, successfully campaigned to get PNOC employees fully vaccinated with the help of the Taguig local government.

But the company did not limit its efforts to its employees only. On December 11, 2021, PNOC turned over to the Mabini (Batangas) Community Hospital 28 electric stand fans and 15 heavy-duty folding beds with mattresses in response to the local government's request for assistance to its COVID 19 Temporary Treatment Monitoring Facility. These items augmented the limited resources available in the Community Hospital.

PNOC also remitted additional dividends to the National Government amounting to Php500 Million in support of the COVID-19 emergency response programs under the Bayanihan to Recover as One Act. This contribution is in addition to the Php5.0 Billion dividends remitted in 2020 in support of the COVID-19 emergency response programs under Bayanihan to Heal as One Act.



THIS IS WHERE WE ARE GOING



The Strategic Planning Session for the 5-year period of 2022 to 2026 was scheduled in October 2021. However it did not materialize due to the untimely deaths and resignations of members of the Board, resulting to a lack of quorum of the Board of Directors. On November 19, 2021, Senior Management proceeded with its Operations Planning Workshop with a proposed set of **2022-2026 strategic directions** ready for presentation to the Board of Directors for their review and approval.

Proposed Strategic Directions for 2022-2026

1. Targeted Fuel Relief Program
2. Development of Strategic Petroleum Reserve (SPR)
3. Continued Sale/Monetization of Banked Gas
4. Business Growth and Development/Rehabilitation of ESB Facility
5. Business Growth and Rehabilitation of PNOC Industrial Park
6. Maximize Productive Use of PNOC Real Properties
7. Development of Potential Business Ventures in the LNG Industry
 - a. Purchase of NPC pipeline
 - b. Midstream Natural Gas Development (Virtual and Actual Pipeline, Small Scale LNG)
8. Internal Capability Building
9. Others
 - a. Decentralized Energy Systems
 - b. Re-development of Energy Center
 - c. Electric Vehicles (related infrastructure)
 - d. BCT Development
 - e. Tele-commuting



2021

FINANCIAL HIGHLIGHTS

PARTICULARS	2021 UNAUDITED	2020 AUDITED	INCREASE (DECREASE)	% CHANGE
Net Income	927.6	523.9	403.7	77%
Revenues	1,526.1	1,192.3	333.8	28%
Current Assets	2,475.2	2,335.0	140.2	6%
Total Assets	36,740.5	36,530.8	209.7	0.57%
Current Liabilities	1,215.0	812.5	402.5	49.5%
Total Liabilities	4,001.4	4,075.8	(74.4)	(1.8%)
Equity	32,739.1	32,455.0	284.1	(0.9%)

Net Income

PNOC registered a net income of P927.6 million, an increase of 77% or P403.7 million from last year's P523.9 million. This is mainly due to the other income from the early termination of GSPA on banked gas. Rent income also increased due to the escalation of continuing leases and the commencement of new lease contracts with Wealth Horizon Development Corp. (starting December 2020), JFM Enterprises, and Grand Thermal Power Corp.

This year's total revenues of P1.53 billion are comprised mainly of 1) other income from the Pilipinas Shell Petroleum Corporation GSPA, 2) rent/lease income from Investment Properties, 3) interest income from investments in Marketable Securities, 4) banked gas sales, and 5) income from Energy Supply Base.

Total Assets

PNOC's total assets increased by 0.57% or P209.7 million from 2020's P36.531 billion to 2021's P36.741 billion. This improvement came mainly from the collection from PSPC on the banked gas.

As of December 31, 2021, PNOC's cash position is comprised of Cash and Cash Equivalents, and Investments in Treasury Bills and Treasury Bonds amounted to P5.236 billion which is 14.25% of the

Company's total assets. This resulted in the Company earning an interest income of P131.2 million for the twelve-month period.

The bulk of the Company's total assets are the Banked Gas Inventory and Investment Property which are 36.49% and 30.88% of total assets, respectively.

Total Liabilities

PNOC's total liabilities decreased by 1.8% (P74.4 million) from 2020's P4,075.8 billion to 2021's P4,001.4 billion. This is mainly due to a reduced amount of deferred tax liabilities resulting from decreased income tax rate from 30%-25% per CREATE Law, payment of various accruals, and amortization of unearned rent income.

Equity

The Company's total equity of P32.74 billion is P284.1 million higher than last year's P32.45 billion. PNOC reported a net income of P927.6 million for the period and declared dividends to the National Government from 2021 earnings amounting to P459.7 million. Moreover, PNOC remitted an additional cash dividend of P500.0 million to the Bureau of the Treasury in April 2021 in support of "Bayanihan to Heal as One Act." Various prior period adjustments include CREATE Law adjustments to deferred tax assets and liabilities.

OUR CORPORATE COMMITMENTS

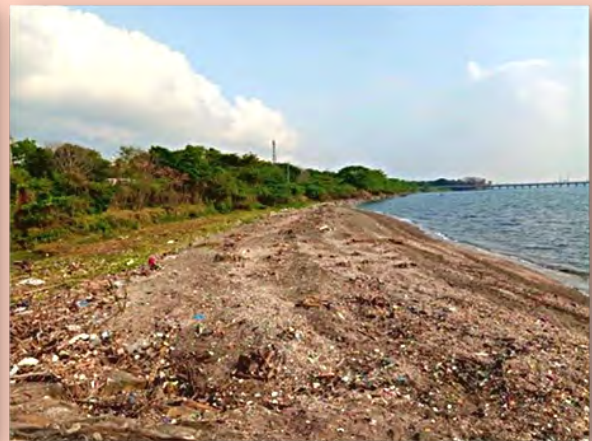
CORPORATE SOCIAL RESPONSIBILITY

PNOC's corporate social responsibility projects continuously assist its host communities in uplifting the well-being and improving the lives of its constituents, responding to their concerns, especially in times of critical need.

The PNOC Industrial Park in Bataan conducted a park-wide coastal clean-up at the Park's Construction Jetty shorelines on March 18, 2021. A total of 76 participants from PNOC, Park locator companies, and PNOC service providers joined hands to contribute to keeping our oceans clean. The clean-up drive resulted in the collection of 1,016.14 kilograms of plastic, rubber, styrofoam, glass bottles, and other residual garbage.



BEFORE



AFTER

Also, the PNOC Industrial Park (PIP) donated paper and printer ink to three schools in Barangay Batangas Dos, namely, Batangas Dos Elementary School, Bayview Elementary School, and Mariveles National High School. The donated items were used to print school modules since they used the modular distance learning method, not online learning. The school representatives were grateful as these items came at an opportune time.



Batangas Dos Elementary School representative Marites Pasudag (center right) gives a Certificate of Appreciation to PNOC Industrial Park representative Robert Villa.



Bayview Elementary School representative, Gemma Dagugdug (center right) gives the thumbs up sign as she receives school supplies for their students' modules.



Mariveles National High School representative John Ouiróz (center right) receives school supplies from PNOC Industrial Park.

On the other hand, the PNOC Energy Supply Base in Batangas successfully conducted a bloodletting activity among its staff and service providers at the PNOC ESB last June 25, 2021, in partnership with the Philippine Red Cross Batangas Chapter.



In 2020 and 2021, Taal Volcano emitted tons of spewing ash and sulfur dioxide during an eruption, affecting the communities in Batangas. On September 21, 2021, the Philippine National Oil Company turned over a total of 1,200 N95 masks to the Provincial Government of Batangas and the Batangas Philippine National Police to contribute to the precautionary measures of the province against possible airborne ash and vog caused by the Taal Volcano eruptions. PNOC donated said masks to be used by the health emergency front liners of Batangas in the event of another volcanic eruption.



On December 11, 2021, PNOC turned over to the Mabini Community Hospital 28 electric stand fans and 15 heavy-duty folding beds with mattresses in response to the local government's request for assistance to its COVID 19 Temporary Treatment Monitoring Facility. These items augmented the limited resources available in the Community Hospital.



PNOC continuously aligns its CSR projects and activities to the needs of its host communities and commits to maintaining fruitful relationships with its stakeholders.

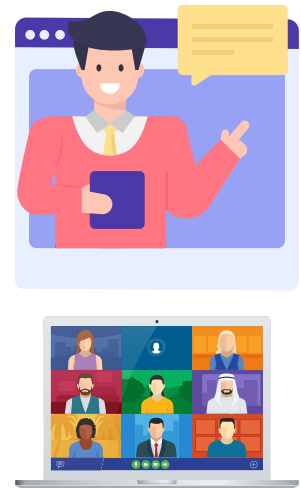
GENDER AND DEVELOPMENT

Despite the continuing pandemic in 2021, PNOC still endeavored to undertake relevant GAD-related and gender-responsive activities for its officers and employees, such as the following:



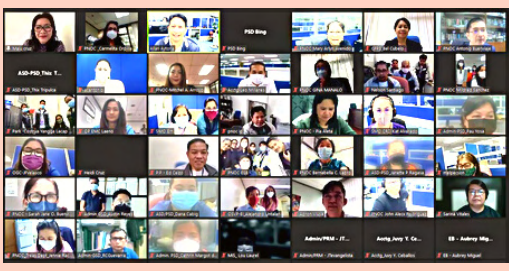
Implemented the Alternative Work Arrangements (AWAs) for PNOC employees, adopting the Work from Home (WFH) arrangements, especially for pregnant, nursing mothers, senior citizens, and employees with compromised-immune systems during enforced community quarantine restrictions.

Continuing information drive on gender issues utilizing the social media platform for a sustained information campaign during the pandemic. The GAD Focal Point System (GFPS) explored the internet for free webinars for employees that tackled women and children issues that, surprisingly, were still prevalent during the time of Covid. The webinars that focused on mental wellness were also very timely, given the prolonged effects of Covid in the family and the workplace. Employees also shared online newspaper articles in the company's group chats. The GFPS chat group was also a sharing venue for updates, advisories, health protocols, and ordinances regarding the pandemic.



Participated in the Inter-Agency Technical Working Group Virtual Conferences (via Zoom) on The Gender Equality and Women's Empowerment (GEWE) Plan 2019-2025 last August 26, September 17, and November 26, 2021.

Participated in the annual observance of the 18-day Campaign to End Violence Against Women from November 25 to December 12, firstly by attending free webinars via FB live, sponsored by the Philippine Commission on Women; joining via zoom an online screening of "ANG KABABAIHAN NG MALOLOS" Last Dec. 6 and 7, 2021; and attending virtual orientations of "BASIC GENDER AND DEVELOPMENT" and "SALIENT FEATURES OF RA11313 OR THE SAFE SPACES ACT (Anti-Bastos Law)" last December 9, 2021

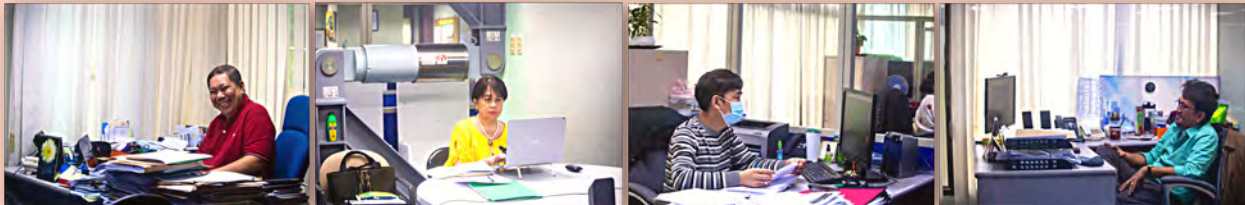


(Top Left) 18-day vaw campaign logo; (top right) screening of "Ang Kababaihan ng Malolos," (bottom left) participants of the "Basic Gender and Development" seminar; and (bottom right) Dr. Lualhati F. Cruz, guest speaker for the "Salient Features of RA11313 or the Safe Spaces Act" seminar

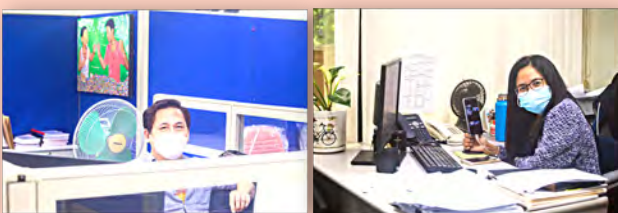
QUALITY MANAGEMENT SYSTEM



PNOC energy facilities' efficient management and the continuous development, implementation, and maintenance of efficient and effective systems are part of PNOC's Strategic Objectives. As a result of upholding and committing to these objectives, PNOC has been certified by Quality Management Standards (ISO 9001:2015) for nineteen (19) management processes since October 10, 2017, and was successfully QMS Re-Certified on December 18, 2020, without any nonconformities.



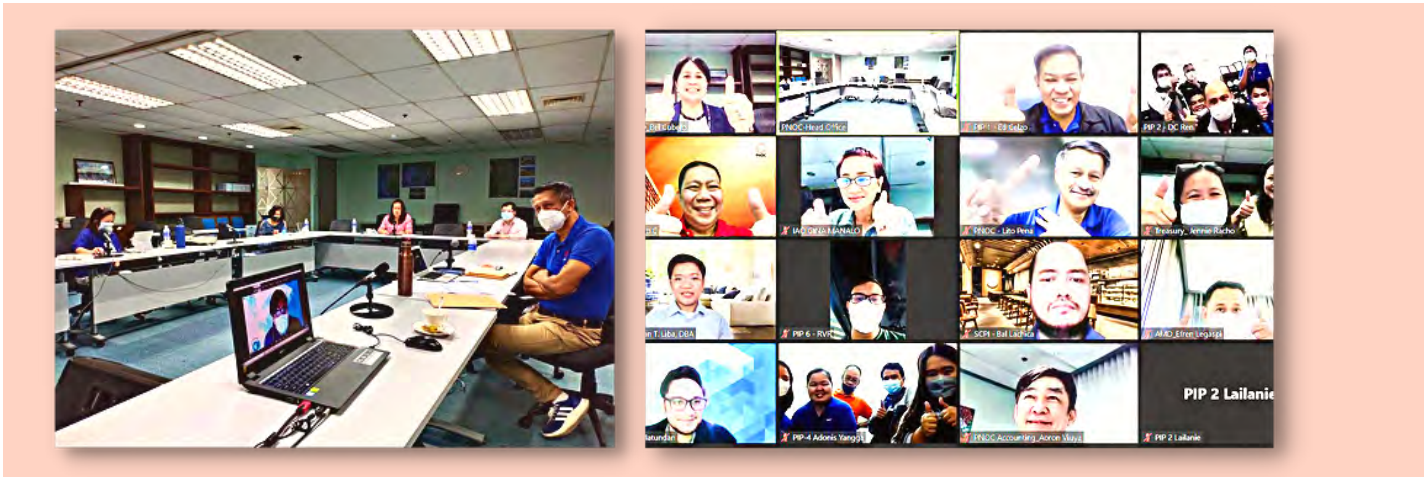
In 2021, the Philippine National Oil Company (PNOC) Head Office, together with the PNOC Industrial Park (PIP) and Energy Supply Base (ESB), maintained its compliance with ISO/IMS certifications standards. SOCOTEC Certification International Philippines affirmed all processes for the three different sites during their audits. This is PNOC's second round of a three-year audit cycle. The grueling work to comply and meet international standards is a testament to PNOC's commitment to quality.



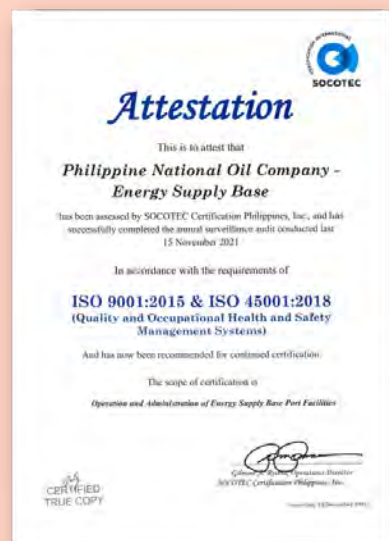
PNOC's Head Office in Taguig City passed the Quality Management System (QMS) 1st Surveillance Audit for ISO 9001:2015 Certification on September 24, 2021. This certifies that the Company continues to comply with the QMS standards expected of all Government-Owned and/or

Controlled Corporations (GOCCs), as required by the Government Quality Management Committee under Executive Order No. 605, s. 2007.

In addition, PNOC's ESB also passed the 1st surveillance audit on November 15, 2021, for the ISO 9001:2015 and ISO 45001:2018 Certifications. ISO 9001:2015 and ISO 45001:2018 affirm that the Company conforms not only to Quality Management Standards but also to Occupational Health and Safety standards, addressing health, safety, environment, and quality.



On the other hand, PIP successfully passed its 2nd Surveillance Audit on December 3, 2021, maintaining its ISO 9001:2015, ISO 45001:2018, and ISO 14001:2015 Certifications. Aside from ISO 9001:2015 and ISO 45001:2018 compliance with Quality and Occupational Health and Safety standards, ISO 14001:2015 attests that the Company continues to perform following the international standards for the Environmental Management System, contributing to sustainable development through environmental protection initiatives. Next year, PIP will be up for re-certification of its processes.



PNOC continues to pursue excellence to attain its vision through the efficient use of resources while consistently providing the highest quality of service for all.

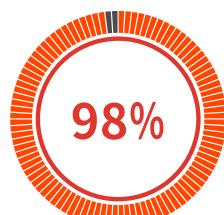
CUSTOMERS SATISFACTION SURVEY

The yearly Customer Satisfaction Survey (CSS) is a requirement of the Governance Commission for Government-Owned and Controlled Corporations (GCG) for all GOCCs, to determine customer/stakeholder satisfaction. The results shall be used as a basis for improvements on the GOCCs' operations and delivery of services. The conduct of CSS has a 10% weight in the PNOC Scorecard.

PNOC has been undergoing customer satisfaction surveys since 2015, continually measuring its customers' satisfaction to gain insights into their perception of the company's business operations. This vital information identifies what actions are needed to improve and add value to our services to retain customers' loyalty to the company.

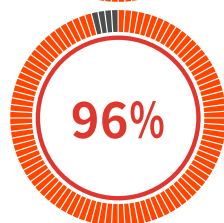
The University of the Philippines Los Baños Foundation Inc. (UPLBFI), through the Department of Social Development Services, College of Human Ecology, University of the Philippines Los Baños (DSDS-CHE, UPLB), once again conducted PNOC's CSS for CY 2021. The specific aim of the CSS is to **determine the level of satisfaction of PNOC's customers, namely, lessees of PNOC properties, Energy Supply Base (ESB) customers, and PNOC Industrial Park (PIP) locators.**

PNOC customers gave a **"very satisfactory"** rating for **services** provided for the year 2021 as evidenced by the positive rating of **98 percent** of the respondents based on the six attributes measured, namely, 1) staff and organization; 2) partner organization; 3) complaints handling and record keeping; 4) information and communication; 5) information communication - website; and 6) facilities. Similarly, the overall satisfaction rating based on **perception** was a **"positive"** rating at **96 percent**.



SERVICES

"VERY SATISFACTORY"



PERCEPTION

"POSITIVE"

Given that 2021 was still a challenging year because of the ongoing pandemic, getting a "very satisfactory" rating is something to be lauded. PNOC will continue to strive to operate in a highly effective and efficient organization focused on meeting its customers' needs while pursuing its goals and objectives.

CORPORATE GOVERNANCE STATEMENT

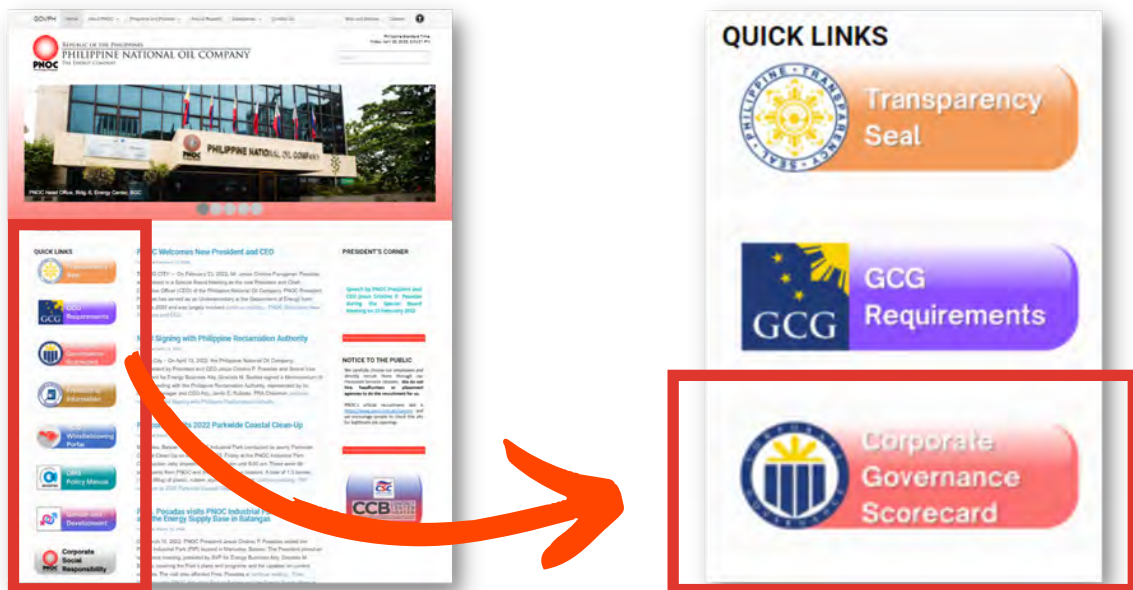
The Philippine National Oil Company (PNOC) affirms its full compliance with the provisions of the Code of Corporate Governance (CCG Memorandum Circular No. 2012-07 dated November 2012) and its own Manual of Corporate Governance.

The Board of Directors, Management, officers, and employees of PNOC continue to commit themselves to the principles and best practices of governance

contained in the company's Manual of Corporate Governance as a guide in the attainment of its corporate goals. PNOC shall continue to create awareness of good corporate governance within the organization. At the same time, the entire organization declares its continuing commitment to the Code of Ethical Conduct, its vision, mission statement, and core values which are made an integral part of the company's Manual of Corporate Governance.

CORPORATE GOVERNANCE SCORECARD

The company's Corporate Governance Scorecard can be accessed by clicking the "CCG Scorecard" link on the company's official website, www.pnoc.com.ph. It is under the Quick Links Section on the left side of the homepage.



GOVERNANCE STRUCTURE

The machinery for corporate governance of the PNOC is contained in its Charter, P.D. 334, as amended, and its By-Laws and Code of Ethical Conduct. This Charter vests the PNOC Board of Directors (BOD) with full final authority and full oversight responsibility for the governance of the Company. As a result, the PNOC BOD is held accountable to the State for the operation and status of PNOC, including its performance in various state activities and projects.

To assist the Board and the PNOC Management in decision-making processes, the members of the BOD have constituted sub-committees that gather to discuss various issues and establish recommendations for the review and approval of the PNOC BOD. The sub-committees are as follows: (1) the Executive Committee; (2) the Risk Management Committee; (3) the Audit Committee; (4) the Nomination and Remuneration Committee; (5) the Governance Committee.

PNOC BOARD COMMITTEES FOR 2021

Roster of Members

Committee	Members	Term
EXECUTIVE COMMITTEE	<p>Chairman: Alfonso G. Cusi</p> <p>Members: Hermann Roy M. Atienza¹ ADM Reuben S. Lista (Ret)² Ramon B. Mitra³ Romeo V. Poquiz Jonas Guy S. De Leon⁴ (<i>vice Hermann Roy M. Atienza</i>)</p>	<p>1 Jan to 31 Dec 2021</p> <p>1 Jan to 30 Mar 2021 1 Jan to 30 Aug 2021 1 Jan to 15 Nov 2021 1 Jan to 31 Dec 2021 30 Apr to 1 Oct 2021</p>
RISK MANAGEMENT COMMITTEE	<p>Chairman: Romeo V. Poquiz</p> <p>Members: Ramon B. Mitra³ Jonas Guy S. De Leon⁴</p>	<p>1 Jan to 31 Dec 2021</p> <p>1 Jan to 15 Nov 2021 1 Jan to 1 Oct 2021</p>
AUDIT COMMITTEE	<p>Chairman: Rex V. Tantiongco</p> <p>Members: Adolf P. Borje Hermann Roy M. Atienza¹ Michael Ted R. Macapagal⁵ (<i>vice Hermann Roy M. Atienza</i>)</p>	<p>1 Jan to 31 Dec 2021</p> <p>1 Jan to 31 Dec 2021 1 Jan to 30 Mar 2021 30 Apr to 8 Oct 2021</p>
NOMINATION AND REMUNERATION COMMITTEE	<p>Chairman: Hermann Roy M. Atienza¹ Ramon B. Mitra³ (<i>vice Hermann Roy M. Atienza</i>)</p> <p>Members: Rex V. Tantiongco Michael Ted R. Macapagal⁵</p>	<p>1 Jan to 30 Mar 2021 30 Apr to 15 Nov 2021</p> <p>1 Jan to 31 Dec 2021 1 Jan to 8 Oct 2021</p>
GOVERNANCE COMMITTEE	<p>Chairman: Alfonso G. Cusi</p> <p>Members: ADM Reuben S. Lista (Ret)² Adolf P. Borje Jonas Guy S. De Leon⁴ Michael Ted R. Macapagal⁵</p>	<p>1 Jan to 31 Dec 2021</p> <p>1 Jan to 30 Aug 2021 1 Jan to 31 Dec 2021 1 Jan to 1 Oct 2021 1 Jan to 8 Oct 2021</p>

*Membership in accordance with PNOC Board Resolution Nos. 2643, S'2019, and 2739, S'2021.

¹ Passed away on 31 Mar 2021.

² Passed away on 31 Aug 2021.

³ Deemed resigned effective 15 Nov 2021, the date of filing of his Certificate of Candidacy (COC).

⁴ Deemed resigned effective 1 Oct 2021, the date of filing of his COC.

⁵ Deemed resigned effective 8 Oct 2021, the date of filing of his COC.



The 2021 Management Committee

First Row (From Left to Right): Mr. Aaron R. Viuya, OIC-Manager of the Accounting Department; Engr. Carlito B. Pena, Manager of the Energy Supply Base Department; Atty. Efren A. Legaspi, Manager of the Asset Management Department, Atty. Antonio G. Buenviaje, OIC-Manager of the Office of the General Counsel; Mr. Lino Gerardo G. Calaor, Manager of the Administrative Services Department, Ms. Maria Belinda L. Cubelo, OIC-Manager of the Strategy Management Office; Ms. Gina E. Manalo, OIC-Manager of the Internal Audit Office; and Ms. Jennifer R. Racho, Manager of the Treasury Department

Second Row (From Left to Right): Atty. Ronald C. Chua, Senior Vice President for Energy Investments; Atty. Graciela M. Barleta, Senior Vice President for Energy Business; and Ms. Evangeline B. Albaytar, Senior Vice President for Finance and Administrative Services

NOTE: Not in the Photo is Mr. Edwin G. Celzo, Manager of the Park Management Department

On the other hand, the PNOC Senior Management is composed of the Executive Officers, namely the President and CEO, the Senior Vice President for Energy Investments, the Senior Vice President for Energy Business, and the Senior Vice President for Finance and Administrative Services.



Bids and Awards Committee in Action

The PNOC Senior Management is responsible for ensuring that the PNOC adheres to and implements its mandate while at the same time complies with its corporate duties and responsibilities, especially those concerning its social, environmental, and economic commitments to its stakeholders and the Filipino people.



The Management Committee



Operations Planning Workshop

WHISTLEBLOWING POLICY

In 2017, the Board approved the Whistle Blowing Policy under Board Resolution No. 2429, and the company subsequently constituted a standing PNOC Whistleblowing Committee (PWBC). PNOC made the policy to provide a safe and trustworthy environment so that the company's employees feel comfortable and protected when they have information to share. Cultivating a thriving whistleblowing culture can be implemented by being open and honest, following through on procedures, treating employees with respect, and thoroughly investigating the issues with the highest confidentiality level.

Details of the PNOC Whistleblowing Policy can be accessed through this link:

<https://www.pnoc.com.ph/wp-content/uploads/2021/07/Whistle-Blowing-Policy.pdf>

Whistleblowers may report directly to the GCG through their web portal:

www.whistleblowing.gcg.gov.ph

A quick link to this portal is also provided on PNOC's website. Pending face-to-face meetings with GCG officers and employees during the pandemic, whistleblowers may also submit whistleblowing reports through email: feedback@gcg.gov.ph; through mail: 3F Citibank Center, 8741 Paseo De Roxas, Makati City; and through contact numbers: 5328-2030 to 33.

RISK OVERSIGHT POLICY

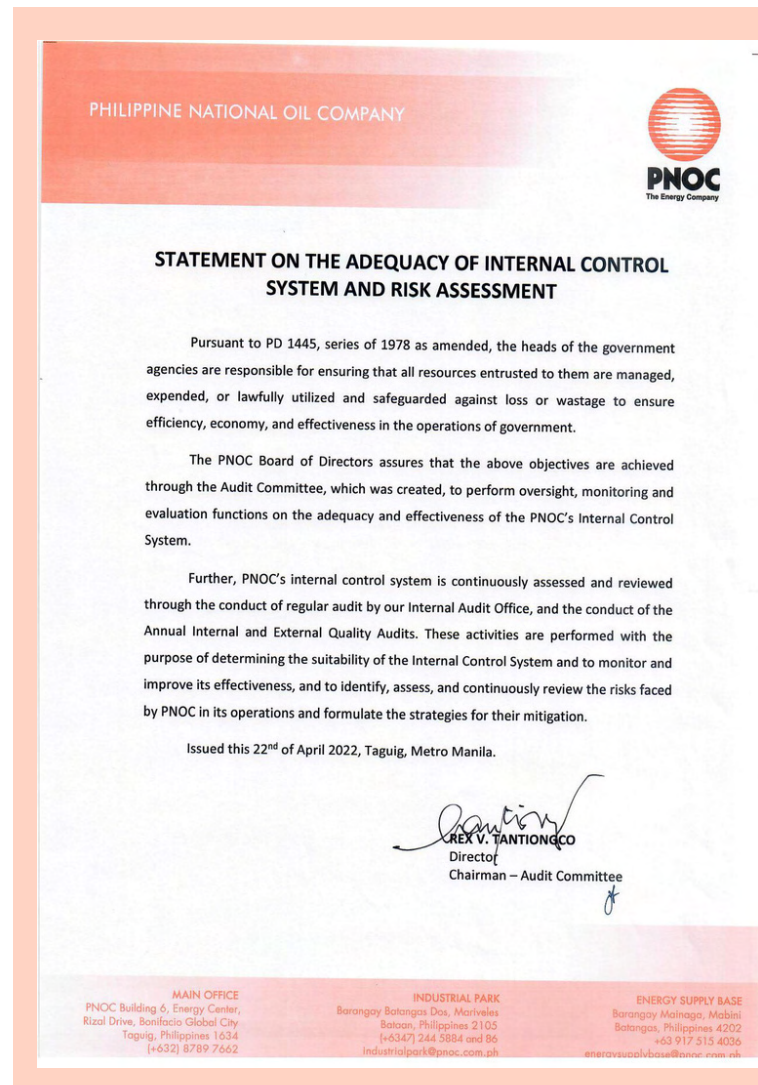
In its Terms of Reference (TOR) and in its Audit Committee Charter, the PNOC Audit Committee is responsible for overseeing, monitoring, and evaluating the adequacy and effectiveness of PNOC and its subsidiaries' internal control system as well as the Company's process for assessing significant risks or exposures. The Audit Committee, performing its mandate, held five (5) committee meetings on 2 March, 8 June, 16 September, 23 November and 14 December 2021.

Meanwhile, the PNOC Risk Management Committee performs oversight risk management functions specifically in the areas of operations, legal, reputational, and other risks of PNOC and ensures that the risk management process and compliance are embedded throughout the operations of PNOC, especially at the Board and Management level.

In 2021, the Risk Management Committee held twelve (12) committee meetings on 26 January, 29 March, 30 April, 12 May, 1 June, 7 and 9 July, 11 August, 22 September, 5 and 8 October, and 10 November 2021, and five (5) joint meetings with the Audit Committee on 26 January, 8 February, 29 March, 28 April, and 11 August 2021.

The matters discussed in these Committee meetings may be found in:

<https://www.pnoc.com.ph/wp-content/uploads/2022/03/INFORMATION-ON-BOARD-COMMITTEES-AND-ITS-ACTIVITIES-CY-2021.pdf>



PNOC's BOARD OF DIRECTORS

Directors Training and Continuing Education

The PNOC Board has established themselves as true advocates of public governance. Armed with relevant training on Corporate Governance through the Institute of Corporate Directors, and Public Corporate Governance for Board Members of GOCCs with Modules on Understanding Fundamentals of Public Corporate Governance and Exercising Fiduciary Functions for Improved Public Corporate Governance, at the Development Academy of the Philippines their skills developed during trainings are further honed-in the boardroom. Additional training like Introduction to the Strategic Thinking Process was also availed of. The Board continues to upgrade and update themselves with appropriate training to further enhance their performance as committed public servants.



**HON. ALFONSO
G. CUSI**
Board Chairperson
Secretary of Energy

Energy Secretary and PNOC Chairman Alfonso G. Cusi has an impressive record in leading both private and public entities. He started his government service as General Manager of Philippine Ports Authority where he was instrumental in launching the “Strong Republic Nautical Highway”. He later served as General Manager of the Manila International Airport Authority from 2004 to 2010. Under his tenure, the delayed NAIA Terminal 3 was officially opened in 2008. He later served as Director-General of the Civil Aviation Authority of the

Philippines, wherein he laid the groundwork for the restoration of the Category 1 status of the Philippine Aviation Industry.

A successful businessman, Secretary Cusi was also the chairman of Starlite Ferries, the company which upgraded the domestic shipping industry with its acquisition of brand new ro-ro commercial vessels. He also founded and served as Chairman and President of several companies engaged in logistics and distribution, manning and crewing, and maritime engineering, as well as the management/ownership of convenience stores. He also served as a Board Member of Intex Resources Philippines, Inc. of Intex Resources, a Norway-based corporation.

Chairman Cusi earned his Bachelor of Science degree in 1972 from La Salle College in Bacolod, his Master's degree in Business Administration in 1976 from UP-Cebu, and his Doctorate in Business, honoris causa, in 2008 from the Polytechnic University of the Philippines.



**REX V.
TANTIONGCO**

Member of the Board

Director Rex V. Tantiongco has worked in various capacities for the energy sector. He was chairman of the Energy Regulatory Board (now Energy Regulatory Commission) from 1991 to 1996, was a consultant for Water and Energy Affairs in the Office of the Speaker, House of Representatives from 2000 to 2001, and consultant on Energy Affairs in the Office

of the President from 1996 to 1998. He also worked at the private sector as a local consultant to WorldBank, was Executive Director of the Independent Philippine Petroleum Companies Association, and Head of the Advisory Group of Cathay Pacific Steel, to name a few. He was also a part of the academe, being a member of the Board of Trustees and Vice-President for Finance and Oversight of the University of Rizal System Development Foundation, and having taught at the University of the East, the De La Salle University, and the CPA Review School of the Philippines. He graduated with a BA Accounting Degree at the University of the East in 1967 where he also earned his MBA units in 1977. He became a Certified Public Accountant in 1971. He received his Doctor of Technology degree from the University of Rizal System in 2009.



**RAMON VICTOR
B. MITRA**

Member of the Board

A general management professional, Director Mitra has extensive experience in administration and operations management acquired from more than 29 years experience

in the military, private businesses, and family-owned corporations. He also has wide-ranging interest in information technology, transportation, agriculture, bio-technology and energy business. Dir. Mitra also served as Chairman of the former PNOC subsidiary, the PNOC Development and Management Corporation.

A Philippine Military Academy graduate, Director Mitra also took the Enterprise Management Program at JAD Institute, an off-campus program of the Asian Institute of Management.



**MICHAEL TED R.
MACAPAGAL**

Member of the Board

Director Macapagal was a member of the Board of Directors of the Clark Development Corporation prior to his appointment as PNOC Director. He brings with him an impressive and consistent record of building

sustainable, scalable, and profitable businesses that have created long-term employment opportunities for minorities in the San Francisco Bay area. He was also President and CEO of 1st Reliance International, Inc., a locally-based corporation, and Reliance Logic, Inc., currently located in California. Both companies are into real estate development. Director Macapagal was also Division President and Country Manager of the California-based corporation, Stewart Title Company.

Director Macapagal graduated with a Bachelor's Degree in History, and a certificate program in Human Resource Management from the University of California, Berkeley.



**ADOLF P.
BORJE**

Member of the Board

Rear ADM Adolf P Borje AFP (Ret) has an extensive background in military, security, intelligence, community relations, and public safety. For over 37 years, Director Borje held

several distinctive military and government positions, which honed his skills in conflict resolution, government budgeting and programming, and management and deployment of security forces and other resources, among others.

Director Borje is a graduate of the Philippine Military Academy and earned a degree for International Resource Planning and Management from the US Naval Postgraduate School in Monterey, California. He also holds an equivalent Degree in Masters in National Security Administration from the National Defense College of the Philippines.



**JONAS GUY S.
DE LEON**

Member of the Board

An environmentalist at heart, Director Jonas Guy S. de Leon works with various NGOs and organizations advocating for a clean and

green world in the midst of industrial and economic growth. He also firmly believes that transparency and accountability are the cornerstones of good governance, steadfastly supporting the current president's anti-criminality and anti-corruption drive.

Director de Leon also manages and co-owns several business establishments. He graduated with a Bachelor of Science degree in Nursing from the University of Northern Philippines in 2013.



**ROMEO V.
POQUIZ**

Member of the Board

Before his appointment as PNOC Director, Director Poquiz was a Board Director several companies, such as the Bases Conversion and Development Authority, the Fort Bonifacio Development Corporation, and the

Bonifacio Transport Corporation. He was also an expert consultant for the Philippine Economic Zone Authority.

Presently, Director Poquiz is a Trustee of the AFP Mutual Benefit Association and a consultant at the National Security Council. A military officer with honors, he graduated with a Bachelor of Science degree from the Philippine Military Academy and a Master of Science in Management from the US Naval Postgraduate School.

He was a Major-General of the Armed Forces of the Philippines before he retired from active duty and service.

In Memoriam



Adm. Reuben S. Lista (Ret) †
President and Chief Executive Officer

ADM Reuben S. Lista (Ret) has several years of experience in military discipline and remarkable business acumen. He holds Master's Degrees for International Resource Planning and Management (MIRPM) and National Security Administration (MNSA) from the prestigious US Naval Postgraduate School (USPNS) in Monterey, California, and another Master's Degree in Business Administration from Ateneo de Manila University. The Admiral also holds the distinction of being the very first-ever commander of the Marine Environmental

Command, a qualification that assists him in balancing energy projects with environmental protection.

President Lista has a very diverse background aside from his dedicated service in the Philippine Navy, the Philippine Coast Guard, and other maritime posts. He worked as a consultant in transportation and communication and public works and highways and even spearheaded a corporate social responsibility program with his brainchild project "Adopt a Lighthouse" which fosters the upkeep and maintenance of historical lighthouses.

He graduated top of his class in BS Marine Transportation at the Philippine Merchant Marine Academy in 1969.

President Lista served on the Board from November 7, 2016, until his untimely death on August 31, 2021



Hermann Roy M. Atienza †
Member of the Board

Director Hermann Roy Atienza is a committee member for the administration/Treasury of the ACDI Multipurpose Cooperative in Davao City.

Previously, he served the Philippine Air Force for 20 years, starting as Line Pilot in 1990 until

he became Aerodrome and Base Operations Commander in 2007, exhibiting his knowledge and espousing projects leading to improvements and upgrades in airbases operations.

A San Beda BSC Marketing graduate in 1986, Director Atienza took Basic Air Cargo Operations at the Philippine Airlines in the same year and in 1990, took UPT in the Philippine Airforce Flying School. He completed his MBA at the University of Mindanao in 1997.

Director Atienza served on the Board from January 20, 2017 until his death on March 31, 2021.

OUR SUBSIDIARIES

PNOC EXPLORATION CORPORATION

OPERATIONAL HIGHLIGHTS

In 2021, PNOC EC continued to lay the groundwork for its various exploration and production projects despite another series of lockdowns due to the COVID-19 pandemic that hampered business operations.

PNOC EC's line-up of projects for the year is directed at realizing the company's long-term roadmap involving petroleum and coal exploration, development and production programs. This is in line with the company's commitment to contribute to the country's efforts towards energy security and self-sufficiency.

For new ventures, the company continued to conduct technical and economic assessment of potential farm-in opportunities both domestic and overseas. PNOC EC also partnered with the Department of Energy (DOE) in a Joint Study Agreement (JSA) to evaluate the country's sedimentary basins.

Petroleum Exploration and Production

PNOC EC, together with its Joint Venture partners, has made a concerted effort to accomplish the work program commitments to the DOE for the year. Areas outside the current service contracts and new assets were also reviewed and evaluated aimed to accelerate the search for new energy sources and augment the value of the Company's business.

Service Contract 38 - Malampaya Gas Project

SC 38, situated in offshore northwest Palawan, was awarded to Shell Philippines Exploration B.V. (SPEX) on 11 December 1990. The block currently covers an area of around 830 km². Chevron Malampaya LLC (renamed as UC38 after acquisition by UC Malampaya Philippines in 2021) and PNOC EC eventually farmed-in into the block in 1999 with 45% and 10% participating interests, respectively. First gas from the Malampaya Deepwater Gas-to-Power Project flowed to the platform in October 2001.

For 2021, the scheduled maintenance on the Malampaya facilities was executed safely and the SC 38 Joint Venture successfully completed its major objectives. The SC 38 Joint Venture continued the delivery of natural gas to provide the fuel to generate electricity for the Luzon grid during the pandemic. In 2021, the project was able to produce 121.09 BCF of gas and 2.936 MMbbls of condensate and was able to deliver gas and condensate sales of 116.09 BCF and 3.12 MMbbls, respectively.

PNOC EC also conducted due diligence as part of the consent process under the SC 38 Joint Operating Agreement for the sale and purchase of Shell Petroleum NV's shares in SPEX to Malampaya Energy XP.

PNOC EC, together with the SC 38 JV partners, concluded their negotiation with Pilipinas Shell Petroleum Corp. (PSPC) in

Installation of PST instruments in Ramon, Isabela. Left photo: Kevin Bandala (Tekton Geometrix Inc.); Right photo: (from left) Kevin Bandala, Rense Lester Guibay (Tekton Geometrix Inc.), and Ralph Oliver Inocentes (PNOC EC)



December for the early termination of their Gas Sales and Purchase Agreement (GSPA) following the closure of the PSPC Tabangao Refinery in August 2020.

Service Contract 37 - Cagayan Basin

SC 37 is an onshore block located in the southern part of Cagayan Basin. It was awarded by the DOE to PNOC EC on 18 July 1990. SC 37 covers the San Antonio gas field which produced 3.54 BCF of gas supplied to the 3-megawatt San Antonio Gas Power Plant (SAGPP) in Echague, Isabela from 1994 to 2008.

In 2021, PNOC EC, through Tekton Geometrix Inc., conducted a passive seismic tomography (PST) survey around the Chico Prospect and the San Antonio-Arabiati areas covering the city of Santiago and the municipalities of Ramon, Echague, Jones, and San Isidro in Isabela and the municipality of Diffun in Quirino.

The PST survey has generated volumes and

profiles that support the possible presence of hydrocarbons at depth. Prior to the conduct of PST survey in San Antonio-Arabiati area, PNOC EC, with the assistance of the DOE, also held Information, Education, and Communication (IEC) campaigns in Diffun, Quirino and Jones, Isabela in January 2021 aimed to keep the local communities informed of this ongoing Project.

The positive results of the 2021 PST survey have improved the probability of geological success for the Chico Prospect, paving the way for the PNOC EC Board’s approval on 29 September 2021 to drill the prospect.

PNOC EC planned to conduct in 2021 a well remediation over the Mangosteen-1 gas discovery well to evaluate its producibility. However, as a consequence of the COVID-19 pandemic, the main well intervention surface equipment became unavailable locally. PNOC EC is now considering to tie up this program with the Chico-1 well drilling operations.



Information, Education, and Communication (IEC) campaigns in Diffun, Quirino and Jones, Isabela

Service Contract 57 - Calamian

SC 57, located in offshore northwest Palawan west of the Calamian Islands, was awarded to PNOC EC on 15 September 2005. The block covers an area of 7,120 km² in water depths between 50 and 3,000 m and is host to the Bantac-1 well, a non-commercial oil discovery by Occidental Petroleum in 1994.

Despite SC 57 being under force majeure, PNOC EC continued its preparation for the next work program, consisting of 3D seismic acquisition and processing over the mapped prospects. Dependent on the lifting of the force majeure and upon successful farm-out, PNOC EC plans to conduct a 3D seismic acquisition and processing program covering around 850 km² of survey area. The survey is aimed at covering the major prospects and leads located northwest of the contract area in water depths ranging from 1,500 to 2,000 m.

On 9 November 2021, the DOE finally decided and denied PNOC EC's long-pending request for the approval of its 2006 Farm-in Agreements (FIA) with China National Offshore Oil Corporation International Ltd (CNOOC) and Mitra Energy Ltd (now Jadestone Energy Inc.) citing non-compliance to Executive Order 80 and its IRR.

Service Contract 58 - West Calamian

SC 58 was awarded to PNOC EC on 12 January 2006. The block is a deepwater acreage covering an area of 13,440 km² in offshore northwest Palawan located west-northwest of the Malampaya field. Nido Petroleum Ltd (NIDO) of Australia farmed-in into SC 58 in 2006 and will earn 50% participating interest and operatorship of the block upon drilling of the first well.

In 2021, NIDO, on behalf of the SC 58 Joint Venture, continued to mature and derisk

prospects to determine drilling candidates and continued preparatory drilling works for the lead candidates. NIDO is committed to carry PNOC EC up to the drilling of the first exploration well.

On 29 October 2021, the DOE granted extension of force majeure due to COVID-19 pandemic for a period of one year from 16 October 2021 or until the lifting or withdrawal of the state of public health emergency pursuant to Section 5 of Proclamation No. 922, whichever comes later.

Service Contract 59 - West Balabac

SC 59 was awarded to PNOC EC on 13 January 2006. This offshore block is located west of Balabac Island in southwest Palawan and covers an area of 14,760 km² in water depths between 15 and 3,000 m.

Despite being under force majeure, PNOC EC continued its technical evaluation of the block focusing on the inboard shallow water region. In 2021, PNOC EC completed studies on a prospective shallow water prospect which include engineering feasibility and economic viability. A technical report covering these studies was submitted to the DOE.

On 16 September 2021, the DOE granted force majeure to SC 59 due to the COVID-19 pandemic for a period of one year from 20 September 2021 or until the lifting or withdrawal of the state of public health emergency pursuant to Section 5 of Proclamation No. 922, whichever comes later.

Service Contract 74 - Linapacan

SC 74 is located in offshore northwest Palawan west of the Calamian Islands. The block covers an area of 4,268 km² in water depths ranging from about 10 m to 200 m. It was awarded by the DOE on 13 August 2013. PNOC EC and Philodrill hold 5% and

25% participating interests, respectively. PXP Energy holds the remaining 70% interest and is the operator of the block.

In 2021, the SC 74 Joint Venture continued with the completion of the G&G work commitments for the current Sub-phase 3. Among the activities accomplished are: (1) seismic interpretation of the reprocessed TQ3D seismic data including the additional half-graben and Base Tertiary horizons and incorporating the results of the Quantitative Interpretation (QI) study; (2) depth conversion of the generated time structure maps; (3) recalculation of resource volumes for the Linapacan Field; and (4) technical review of CoreLab Malaysia's report on biostratigraphic (radiolarian and palynology) and geochemical analyses of the Calamian field rock samples.

PXP requested the DOE on 5 May 2021 for a one-year force majeure due to the continued COVID-19 pandemic, technical predicaments encountered, and additional mapped horizons. Force majeure was approved by the DOE on 29 October 2021 with Sub-phase 3 extended until 13 September 2022.

Service Contract 75 - Northwest Palawan

SC 75 was a successful joint bid of PXP Energy, PetroEnergy, and PNOEC awarded by the DOE on 27 December 2013. The block covers an area of 6,160 km² in offshore Northwest Palawan Basin with water depths at 1,000 to 2,600 m. SC 75 is currently operated by PXP Energy.

In 2021, the JV prepared for the engagement of a contractor for the seismic acquisition of 1,100 km² of 3D seismic data. The Conditional Letter of Award for the seismic acquisition survey was issued to Shearwater on 2 September 2021, while the contract for the seismic acquisition QC will be awarded to OASIS. On 18 November 2021, Shearwater completed the Survey Evaluation and Design (SED) study and presented the results to PXP Energy.

NEW VENTURES

PNOEC continued to evaluate exploration opportunities under the DOE's Philippine Conventional Energy Contracting Program (PCECP), as well as overseas opportunities. PNOEC pursued the scouting and assessment of overseas opportunities with the aim of acquiring producing and/or development assets particularly in the Asia Pacific Region, notably Indonesia, Australia, and New Zealand.

PCECP Nominated Areas

Nominated Area No. 4 - East Palawan

Nominated Area No. 4 is located in offshore East Palawan Basin covering an area of 14,956 km². In 2019, PNOEC and REPSOL jointly nominated the block as part of its joint study and bidding agreement. In 2020, PNOEC pursued the SC application for Nominated Area No. 4 with 100% participating interest after REPSOL withdrew due to its changing priorities. In 2021, PNOEC submitted to the DOE the required technical and financial documents for the reevaluation of PNOEC's financial and technical eligibility to assume 100% participating interest and operatorship. The DOE completed the evaluation of PNOEC's application and endorsed to the Office of the President of the Philippines for the approval of award.

Nominated Area No. 9 - Sultan Kudarat

Nominated Area No. 9 is located in onshore Cotabato Basin within the province of Sultan Kudarat covering an area of 736 km². The area was previously covered by Geophysical Survey Exploration Contract (GSEC) 73 operated by PNOEC which it relinquished due to security concerns in November 2003.

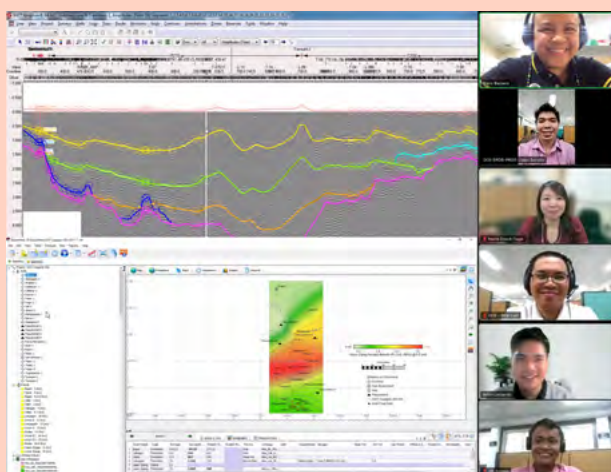
PNOEC is considering to exercise its option for newly awarded Service Contracts under the DOE's PCECP as provided for under DOE Department Circular No. DC2014-02-0005. Among the areas being

considered is Nominated Area No. 9 where in 2021, PNOC EC completed a preliminary engineering study for a possible gas development of one of the prospects.

Joint Study with the DOE – Cagayan Basin

PNOC EC, together with the DOE, carried out the evaluation of the Cagayan Basin under a Joint Study Agreement (JSA) to enhance the understanding and prospectivity of the basin. The JSA also aims to develop the technical capacities of PNOC EC's counterparts in the DOE particularly in the Petroleum Resources Development Division and the Geoscientific Research and Testing Laboratory.

The activities under the JSA for the Cagayan Basin was completed in December 2021, with the submission of a technical report. The study included review of the Cagayan Basin stratigraphy and well-to-well correlation work, regional interpretation of 2D seismic lines, and basin modeling study. The results of the project strengthened the understanding of the Cagayan Basin enhancing its prospectivity and attractiveness for exploration and production.



The JSA Team during one of their sessions on seismic interpretation and basin modeling of the Cagayan Basin. From top: Cielo Bastero (PNOC EC), Marcgene Gregandy Servito (DOE), Maria Grace Tagal (DOE), Rick Rodell Luis (DOE), Arvin Florenz Lafuente (PNOC EC), and Jose Mari Arcega (DOE)

Farm-in Opportunities

In 2021, PNOC EC evaluated various farm-in opportunities both domestic and overseas. For domestic opportunities, PNOC EC was invited to evaluate Service Contract 55, which is located in offshore Southwest Palawan, immediately northeast of SC 59. The service contract is a joint venture between Palawan55 Exploration & Production Corporation (Palawan55), holding 75% participating interest and operatorship, and Pryce Gas Inc. (PGI) with the remaining 25%. Palawan 55 is a subsidiary of ACE Enexor Inc. During this time, however, PNOC EC declined the offer as the results on PNOC EC's due diligence was not encouraging.

For overseas opportunities, PNOC EC carried out preliminary due diligence for producing assets in the Asia Pacific Region, particularly in Indonesia, New Zealand, and Australia. A total of nine assets were initially reviewed, and only two were further evaluated under a Confidentiality Agreement as the other assets required farm-in as operator. PNOC EC, however, did not pursue submission of a non-binding offer as the competitive bidding process for the subject assets did not fit PNOC EC's current criteria for commercial recommendation.

Coal Exploration and Mine Development

Coal Operating Contract (COC) 41 – Malangas, Diplahan, and Imelda, Zamboanga Sibugay

COC 41 was awarded by the DOE to PNOC Malangas Coal Corporation on 14 August 1980. In June 2002, PNOC EC assumed the rights and interests in COC 41, consisting of six coal blocks (6,000 hectares). The DOE has granted an 18-year extension of COC 41 on 22 June 2012 valid until 13 August 2030. PNOC EC operates COC 41 within the Malangas Coal Reservation in Zamboanga Sibugay, straddling the municipalities of Malangas, Diplahan, and Imelda.

Mine 3 Coal Project

PNOC EC is currently developing Mine 3 (CBS 41-H-39 & CBS 41-H-40) by driving inclined shafts parallel to each other, and the Main and Ventilation Shafts, to gain access to the target coal seam for production. In 2021, the Main Shaft is at 320 m from the portal, while the Ventilation Shaft is at 359 m. The first breakthrough was driven which connected the Main and Ventilation shafts; the second breakthrough is now being driven simultaneous with the advancement of the shafts. Mine surface facilities such as Administration Office Buildings, Miners Quarters, HSSE Office and Clinic, Warehouse and Maintenance Shops were completed. Development phase of the project is still ongoing and incidental coal production is expected to commence in 2022.



First breakthrough

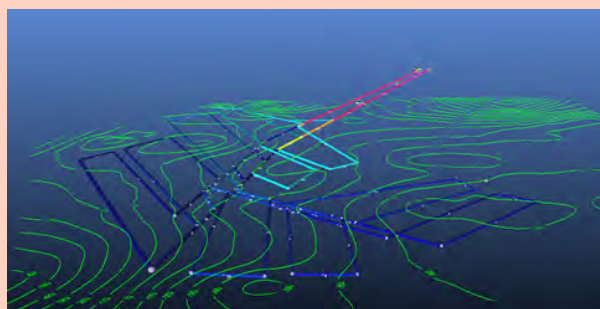
Mine 4 Coal Project (Lower Butong)

The PNOC EC Board of Directors approved the Mine 4 Project for development in June 2021. To formally operationalize the Project, PNOC EC submitted to the DOE a Supplemental Five-Year Work Program for COC 41 in November 2021.

From 27 to 28 October 2021, PNOC EC conducted IEC campaigns in the



Information, Education, and Communication (IEC) Campaigns with the Barangay Council of La Dicha and the Municipal Council of Malangas last 27-28 October 2021



3D model of the optimal mine design of Mine 4 (Lower Butong) Coal Project (CBS 41-H-400 & CBS 41-H-361)

Small-Scale Coal Mines (SSCM)

PNOC EC supervised five Small-Scale Coal Mine (SSCM) Permittees for COC 41, two of which have ongoing operations in the Municipality of Diplahan, Zamboanga Sibugay. The SSCMs were able to deliver a total of 1,510.00 MT to PNOC EC in 2021.

PNOC EC, in coordination with the DOE-ERDB and DOE Mindanao Field Office (DOE-MFO), have come up with an action plan to curb illegal SSCM activities.

Coal Bed Methane (CBM)

PNOC EC continued its procurement for the engagement of consultancy services for the

Coalbed Methane (CBM) Evaluation Project Phase 1 for the initial probabilistic assessment of gas-in-place in COC 41 coal resources using available geologic data. On 23 November 2021, a lone bidder submitted its eligibility documents for evaluation but the bidding process was declared failure due to lacking eligibility requirement prescribed under RA 9184.

Coal Operating Contract 186 - Imelda and Malangas, Zamboanga Sibugay

COC 186 was awarded by the DOE to PNOC EC on 15 February 2013. This is for an initial two-year exploration of five coal blocks (5,000 hectares) in the Municipalities of Malangas and Imelda, Zamboanga Sibugay.

The Sangguniang Bayan (SB) of Malangas endorsed the exploration activities of PNOC EC within the municipality on 6 September 2017. COC 186 was certified as Energy Projects of National Significance (EPNS) by the DOE in September 2018 because of its significant contribution to the country's economic development, energy security, and energy self-reliance. The Certification Precondition for COC 186 was issued by the National Commission on Indigenous Peoples (NCIP) only in January 2019. Further, the SB of Imelda finally endorsed the exploration activities of PNOC EC within the municipality on 16 March 2021.

The exploration drilling program in the Malangas side of COC 186 was conducted from September 2019 until 31 July 2021, with 18 holes drilled and a total meterage of 5,444.60 meters. The drilling program yielded encouraging results with five of the holes intercepting coal seams. The "Final Report on COC 186 Malangas Regional Exploration Drilling and Geophysical Logging Project" was submitted to the DOE on 28 December 2021 for validation.

The DOE deemed COC 186 expired by its own terms and conditions on 18 October 2020. PNOC EC requested consideration of

the DOE decision and also for the extension of the COC in April and May 2021. In June 2021 however, the DOE gave its final decision that COC 186 already expired on 18 October 2020.

Coal Operating Contract 204 - Malangas, Zamboanga Sibugay

COC 204 was awarded by the DOE to PNOC EC on 9 July 2021. This is for a two-year exploration of two coal blocks (2,000 hectares) in the Municipality of Malangas, Zamboanga Sibugay.

The Certificate of Non-Coverage was secured from the Department of Environment and Natural Resources (DENR) on 29 November 2021. The application for the Certification Precondition from the NCIP as well as the request for endorsement for exploration activities from the Malangas local government unit (LGU) are currently well underway.

Coal Operating Contract 122 (Isabela Coal Mine and Mine-Mouth Power Plant Project) -Isabela

COC 122 was awarded by the DOE to PNOC EC on 23 December 1997. This constitutes nine coal blocks (9,000 hectares) in Cauayan City and municipalities of Naguilian and Benito Soliven, in the Province of Isabela.

In December 2020, the Municipal Council of Benito Soliven passed a resolution endorsing its full support of the Project, and the pre-development activities commenced in 2021.

PNOC EC and representatives of the barangay councils of Villaluz, Dagupan and New Magsaysay conducted house-to-house IEC campaigns and consultations to: (1) update the land owners' profile of the stakeholders in the proposed mine sites, and (2) determine their perception and approval in anticipation of the start of the power plant and mining operations. PNOC EC was able to update the profile map of

the land owners and settlers, and the consultations proved that majority of the responders support the Project. Meanwhile, health and safety protocols were strictly observed during the activities.

PNOC EC provided monthly allowances and school supplies to the Company's scholars, and also donated various materials to the schools within the host communities. Also, PNOC EC, in collaboration with the members of National Gender and Development pool of Philippine Commission on Women, hosted a two-day Gender Sensitivity Training and



House-to-house Information, Education, and Communication (IECs) Campaign for the update of land owners profile (top left photo); Distribution of monthly allowances and school supplies (top right photo); Gender Sensitivity Training and VAWC Seminar in Benito Soliven (bottom photo)

Violence Against Women and Their Children (VAWC) Seminar on 16 to 17 December 2021.

Coal Production and Sales

PNOC EC continued to serve and supply the coal requirements of its customers, sourced from supervised-Small Scale Coal Mining (SSCM) Permittees within the concession area of existing COC 41, Semirara Mining & Power Corporation and other local coal mines.

The Company sold 7,284.39 MT of coal in 2021, which is significantly higher than the sales of 481.47 MT in 2020 due to spot seaborne shipment to one of the local cement manufacturers. PNOC EC is optimistic that coal sales will improve once Mine 3, and subsequently Mine 4, become operational. This will provide steady supply of indigenous coal in the domestic market, hence contributing to the country's goal of achieving energy security.

PNOC RENEWABLES CORPORATION

PHYSICAL ACCOMPLISHMENTS

For 2021, the company was able to generate 244MW of energy from Solar PV and renewable energy projects, broken down as follows:

PROJECT	KWH	TOTAL
Solar		1,740,905
PHC	114,572	
DOST	109,440	
DENR	54,594	
PCA	57,974	
UPD	13,045	
COA	156,080	
BSP	560,400	
PICC	547,240	
LGU Naga	127,560	

PROJECT	KWH	TOTAL
Hydro		986,887
Rizal	986,887	

PROJECT	KWH	TOTAL
Geothermal		241,304,920
M1	151,235,710	
M2	90,069,210	

Details of completed and on-going projects are as follows:

SOLAR ROOFTOP PROGRAM WITH GOVERNMENT AGENCIES/LOCAL GOVERNMENT UNITS

	TOTAL (IN KW)	AGENCIES	CAPACITY (IN KW)	LOCATION	STATUS
2015	200	Philippine Heart Center (PHC)	100	Quezon City (QC)	Operations and Maintenance
		Department of Science and Technology (DOST)	100	Taguig City	Operations and Maintenance
2016	620	Department of Environment and Natural Resources - Energy Management Bureau (DENR EMB)	100	QC	Operations and Maintenance
		Philippine Coconut Authority (PCA)	80	QC	Operations and Maintenance
		University of the Philippines (UP) Diliman	240	QC	Operations and Maintenance
		Commission on Audit (COA)	200	QC	Operations and Maintenance
2017	600	BSP	600	Manila and QC	Operations and Maintenance
2018	1,150	PICC	1,050	Manila	Operations and Maintenance
		LGU Naga	100	Cebu	Operations and Maintenance

ENERGY EFFICIENCY PROGRAM WITH GOVERNMENT AGENCIES (EEL)

	PROJECTS	CAPACITY (LED BULBS)	LOCATION	STATUS
2016	Philippine Public Safety College (PPSC) Phase 1-2	2,168	Cavite	Operations and Maintenance
2017	Philippine Public Safety College (PPSC) Phase 3	1,557	Cavite	Operations and Maintenance
	TOTAL	3,725		

RENEWABLE ENERGY DEVELOPMENT

	PROJECTS	CAPACITY (IN KW)	LOCATION	STATUS
2014	MAIBARARA GEOTHERMAL PROJECT	20,000	Sto. Tomas Batangas	Operations and Maintenance
2015	RIZAL HYDROPOWER PROJECT	1,000	Rizal, Nueva Ecija	Operations and Maintenance
2018	MAIBARARA GEOTHERMAL EXPANSION	12,000	Sto. Tomas Batangas	Operations and Maintenance
2019	ARIS	1,000	Pangasinan	For Project Implementation
2020	PICC	1,050	Manila	Operations and Maintenance
	WTE	6,500	Baguio	For Project Implementation
	TOTAL	41,550		

TECHNICAL CONSULTATION

	PROJECTS	ACTIVITY	LOCATION	STATUS
2021	HOUSE OF REPRESENTATIVES SOLAR ROOFTOP	RE-DEVELOPMENT	Sto. Tomas Batangas	On going
	BAUANG LA UNION C	ENERGY EFFICIENCY & SOLAR ROOFTOP DEVELOPMENT	Rizal, Nueva Ecija	Operations and Maintenance
	SUGPON ILOCOS SUR C			Operations and Maintenance
	ALAMINOS PANGASINAN - ONGOING			On going
	DOE FIELD OFFICE - COMPLETED			Operations and Maintenance
	PFDA NAVOTAS - COMPLETED			For Project Implementation
2018	MAIBARARA GEOTHERMAL EXPANSION			12,000
2019	ARIS	1,000	Pangasinan	For Project Implementation
2020	PICC	1,050	Manila	Operations and Maintenance
	WTE	6,500	Baguio	Operations and Maintenance
TOTAL		41,550		



The Operations & Maintenance Teams regularly inspect solar panels for all its Solar Rooftop Projects to ensure installation reliability

OTHER ACCOMPLISHMENTS

Despite the pandemic, PNOC RC was able to generate a total revenue amounting to **PHP23,810,890.00** from its projects for 2021.

PNOC RC signed **three (3) non-disclosure agreements** in 2021 with:

1. Philippine Fishing Development Corporation
2. Superserve Corporation
3. Municipality of Bauang

PNOC RC through its Research Team has **completed three (3) feasibility studies** in 2021, to wit:

1. 10kWp Solar Rooftop Project at LGU Sugpon
2. 30kWp Solar Rooftop Project at LGU Bauang
3. Solar Streetlights at LGU Bauang
4. Acquisition of Casecnan Hydropower project

The company conducted an in-house annual customers satisfaction survey, based on the result, 80% of the respondents are satisfied with PNOC RC's services.

