

Information on Board Committees and its Activities for CY 2020

COMMITTEE	ROSTER OF MEMBERS	ACTIVITIES
<p>EXECUTIVE</p>	<p><u>01 January – 31 December 2020</u> Chairman Alfonso G. Cusi President Reuben S. Lista Director Hermann Roy M. Atienza Director Ramon B. Mitra Director Romeo V. Poquiz</p>	<p>The Executive Committee conducted a joint meeting with the Governance Committee on 24 January 2020, and another joint meeting on 21 February 2020 with the Risk Management, Audit, Governance and Nomination and Remuneration Committees.</p> <p>They deliberated on the following topics:</p> <ol style="list-style-type: none"> 1. Department of Justice (DOJ) Opinion on the PNOC Statutory Counsel 2. Strategies on the Petron Case and the engagement of Private Counsel 3. Sustained Compliance with Commission on Audit (COA) Findings 4. PNOC Renewables Corporation (PNOC RC) Budget and Funding Requirements for its ARIS Hydropower Project 5. Information Systems Strategic Plan for PNOC 6. Upgrade of Boardroom Audio System <p>On the DOJ opinion dated 26 December 2019 stating that all legal matters of the PNOC, a Government Owned and</p>

		<p>Controlled Corporation (GOCC), must be referred to and handled by the Office of the Government Corporate Counsel (OGCC), the Joint Committee instructed the Office of the General Counsel to study the matter and to coordinate with the Office of the Solicitor General (OSG) and OGCC.</p> <p>On the Petron Case, the Joint Committee inquired on the status of the engagement of the private counsel to handle it and to follow up with COA their concurrence on the said engagement.</p> <p>On the Sustained Compliance with Audit Findings, the Joint Committee noted the report and made an instruction for the strict compliance with the audit findings.</p> <p>PNOC RC presented their proposed 2020 budget to the Committee for approval and endorsement to the PNOC Board.</p> <p>Other items were presented for information only.</p>
<p>RISK MANAGEMENT</p>	<p><u>01 January – 31 December 2020</u> Director Romeo V. Poquiz (Chairman) Director Ramon B. Mitra Director Jonas Guy S. De Leon</p>	<p>The Risk Management Committee conducted eleven (11) committee meetings on the following dates: 24 January, 7 and 24 April, 15 June, 17 July, 28 August, 28 September, 7 October, 6 November, and 17 and 21 December 2020.</p> <p>It also joined the meeting of all committees on 21 February 2020, and another joint meeting with the Audit Committee and Nomination and Remuneration Committee on 26 May 2020. In both committee and joint meetings, the following</p>

		<p>were presented, discussed and deliberated:</p> <ul style="list-style-type: none">• Vital Support Services (Janitorial, Messengerial and Security) for PNOC and PNOC Alternative Fuels Corporation (PNOC-AFC) for CY 2020• Award of Contracted Services for PNOC for CY 2020• Updates on Petron case• Disinfection of the PNOC building and work premises• Corporate Social Responsibility (CSR) Project of PNOC for host communities in response to COVID-19 Public Health Emergency• Grant of grace period for lessees and denial of waiver of rent• 2021 work programs, corporate operating budget and annual procurement plan of PNOC, PNOC-AFC and PNOC Development and Management Corporation (PNOC-DMC)• Various Memorandum of Understanding and Non-Disclosure Agreements between PNOC and third parties for energy related projects, including renewal of offshore lease for PNOC-Energy Supply Base (ESB)• Terms of Reference for the repair of ESB warehouse in Mabini, Batangas• Iconic Tower Project: Mode, Joint Technical Working Group (Department of Energy and PNOC), Evaluation of Proposals from Megaworld and actions taken by PNOC• PNOC Performance Targets and Scorecard for 2021• PNOC Exploration Corporation 2020 Proposed Work
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<p>AUDIT</p>	<p><u>01 January – 31 December 2020</u> Director Rex V. Tantiongco (Chairman) Director Adolf P. Borje Director Hermann Roy M. Atienza</p>	<p>The Audit Committee held three (3) committee meetings on 20 February, 11 May and 23 September 2020, and one (1) joint committee meeting.</p> <p>In these three (3) committee meetings, the following were discussed:</p> <ol style="list-style-type: none"> 1) Assessment of the PNOC Operating Performance in 2018 and 2019; 2) Review on the Disinfection of PNOC Building and Work Premises; and 3) Assessment of the Minutes of the Board Meetings.

		<p>The Joint Committee meeting was held with the Risk Management and Nomination and Remuneration Committees, wherein the following were discussed:</p> <ol style="list-style-type: none"> 1) PNOC 2021 Corporate Priorities and Budget; 2) Oil Importation for the TFRP and/or Interim Stockpiling; and 3) Memorandum of Understanding (MOU) and Non-Disclosure Agreement (NDA) with Phoenix Petroleum.
NOMINATION AND REMUNERATION	<p><u>01 January – 31 December 2020</u> Director Hermann Roy M. Atienza (Chairman) Director Rex V. Tantiongco Director Michael Ted R. Macapagal</p>	<p>The Nomination and Remuneration Committee held a meeting on 29 January 2020 and discussed the Proposed Directors and Officers Liability Trust Fund.</p> <p>It conducted another meeting on 6 November 2020 and discussed/reviewed the qualifications of candidates for the position of Senior Vice-President for Finance and Administrative Services, Senior Vice-President for Energy Business of PNOC, and Vice-President for Management Services Division of PNOC EC.</p> <p>The committee held another meeting on 18 December 2020 and discussed the report on the reimbursable expenses of the Board Members.</p>
GOVERNANCE	<p><u>01 January – 31 December 2020</u> Chairman Alfonso G. Cusi President Reuben S. Lista</p>	<p>The Governance Committee conducted a joint meeting with the Executive Committee on 24 January 2020, and another joint meeting on 21 February 2020 with the Risk</p>

	<p>Director Adolf P. Borje Director Jonas Guy S. De Leon Director Michael Ted R. Macapagal</p>	<p>Management, Audit, Executive and Nomination and Remuneration Committees.</p> <p>They deliberated on the following topics:</p> <ol style="list-style-type: none"> 1. DOJ Opinion on the PNOC Statutory Counsel 2. Strategies on the Petron Case and the engagement of Private Counsel 3. Sustained Compliance with Commission on Audit Findings 4. PNOC-RC Budget and Funding Requirements for its ARIS Hydropower Project 5. Information Systems Strategic Plan for PNOC 6. Upgrade of Boardroom Audio System <p>On the DOJ opinion dated 26 December 2019 stating that all legal matters of the PNOC, a GOCC, must be referred to and handled by the OGCC, the Joint Committee instructed the Office of the General Counsel to study the matter and to coordinate with OSG and OGCC.</p> <p>On the Petron Case, the Joint Committee inquired on the status of the engagement of the private counsel to handle it and to follow up with COA their concurrence on the said engagement.</p> <p>On the Sustained Compliance with Audit Findings, the Joint Committee noted the report and made an instruction for the strict compliance with the audit findings.</p> <p>PNOC RC presented their proposed 2020 budget to the Committee for approval and endorsement to the PNOC</p>
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