

Information on Board Committees and its Activities for CY 2019

COMMITTEE	ROSTER OF MEMBERS	ACTIVITIES
EXECUTIVE	<p><u>01 January – 22 October 2019</u> Chairman Alfonso G. Cusi President Reuben S. Lista Director Adolf P. Borje Director Ramon B. Mitra Director Hermann Roy M. Atienza</p> <p><u>22 October – 31 December 2019</u> Chairman Alfonso G. Cusi President Reuben S. Lista Director Romeo V. Poquiz Director Hermann Roy M. Atienza Director Ramon B. Mitra</p>	<p>The Executive Committee, together with the Governance Committee, convened on 26 July and 16 August 2019 and deliberated on the following matters:</p> <ul style="list-style-type: none"> • Governance Commission for Government Owned and Controlled Corporations (GCG) Letter on the Viability of PNOC Renewables Corporation (PNOC RC) • GCG Performance Evaluation System • Report on various Memorandums of Understanding (MOU) and Non-Disclosure Agreements (NDA) for Execution • Prescription of a Pro-Forma Template on PNOC MOUs and NDAs • Matters relating to the Petron Case for Reconveyance

		<p>The Executive Committee also met in a joint meeting with the Governance Committee and the Nomination and Remuneration Committee on 21 October 2019 and discussed the revised 2020 Performance Scorecard for submission to the GCG and the proposed bill on PNOC Fiscal Autonomy.</p> <p>In addition, the Executive Committee also met with all the other Board Committees on 8 November 2019 in preparation for the 2020 activities and to deliberate on the Management recommendations on the standing payables of the PNOC Shipping and Transport Corporation (PSTC) as well as its obligations to the Bureau of Internal Revenue (BIR).</p>
RISK MANAGEMENT	<p><u>01 January – 31 December 2019</u> Director Romeo V. Poquiz (Chairman) Director Ramon B. Mitra Director Jonas Guy S. De Leon</p>	<p>The Risk Management Committee has conducted thirteen (13) committee meetings, two (2) joint meetings with the Audit Committee, and four (4) joint meetings with the Audit Committee and Nomination and Remuneration Committee. In these meetings, the following topics were presented, discussed and deliberated:</p> <ul style="list-style-type: none"> • Iconic Tower Project: <ul style="list-style-type: none"> ○ Mode, Project Development Monitoring Facility (PDMF) funding, Joint Technical Working Group (Department of Energy and PNOC), Engagement of Consultant, Feasibility Study, Evaluation of Proposals

		<ul style="list-style-type: none">• Matters relating to the Petron Case for Reconveyance• Terms of Reference (TOR) - feasibility study for the Energy Supply Base Port Development• Energy related projects between PNOC and third-parties, including corresponding MOUs and NDAs• The Oil Storage Facility Project between PNOC and PNOC Exploration Corporation (PNOC EC), including the Creation of a Joint Technical Working Group (TWG)<ul style="list-style-type: none">○ Framework, TOR, Mode of Procurement for consultancy services for the detailed feasibility study, timelines and challenges• Vital Support Services (Janitorial, Messengerial and Security) for 2019 and 2020 for PNOC and PNOC Alternative Fuels Corporation (PNOC-AFC)• Renewal of Credit Facility with the Land Bank of the Philippines• Sale and/or lease of PNOC Properties (1st and 2nd Batch and Cebu, Bacolod and Negros Occidental Properties)• Revised Strategy Map and Performance Targets for 2019
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		<ul style="list-style-type: none">• Financial Statements of PNOC Development and Management Corporation (PNOC-DMC)/PSTC/ PNOC-AFC and PNOC for issuance of Statement of Management Responsibility for COA requirements• 2019 Budget and Work Programs of PNOC EC and PNOC RC• 2020 Proposed Budget and Indicative Annual Procurement Plan (APP) of PNOC• Payment of Dividends to the National Government• PNOC RC Projects• PNOC-AFC Risk Assessment Results• Inclusion in the 2020 Budget of the repair and/or retrofitting of Building 5 (damaged during the earthquake) and inclusion in the 2019 APP of the structural assessment and analysis• Lease of Sta. Mesa V. Mapa Property• Issuance of Certificate of Conformance to Phil. Resins Industries Inc. (Park locator)• Award of Consultancy Services for Detailed Feasibility Study and Detailed Engineering Design of PNOC ESB Port Development
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AUDIT	<p><u>01 January – 22 October 2019</u> Director Rex V. Tantiogco (Chairman) Director Adolf P. Borje Director Romeo V. Poquiz</p> <p><u>22 October – 31 December 2019</u> Director Rex V. Tantiogco (Chairman) Director Adolf P. Borje Director Hermann Roy M. Atienza</p>	<p>The Audit Committee has conducted five (5) committee meetings, one (1) joint meeting with the Risk Management Committee, and four (4) joint meetings with the Risk Management and Nomination and Remuneration Committees. In these meetings, the Physical and Financial Performance of the Subsidiaries were discussed:</p> <ul style="list-style-type: none"> • PNOC RC – January to June 2018 vis-à-vis January to June 2019, including the following: <ul style="list-style-type: none"> ○ aging of accounts receivable ○ projected Financial Statements for the 2nd Semester 2019

		<ul style="list-style-type: none"> ○ list of projects from 2020 to 2024, with corresponding volume in megawatts per project ○ employees rightsizing plan ○ status of the 2018 COA Audit Findings ○ proposed budget of PNOC RC and its 5-year projections per project. <ul style="list-style-type: none"> ● PNOC EC – January to June 2018 vis-à-vis January to June 2019, including the following: <ul style="list-style-type: none"> ○ physical status ○ financial statements and budget vis-à-vis actual utilization with corresponding variance analysis
<p>NOMINATION AND REMUNERATION</p>	<p><u>01 January – 22 October 2019</u> Chairman Romeo V. Poquiz Director Hermann Roy M. Atienza Director Rex V. Tantiongco</p> <p><u>22 October – 31 December 2019</u> Chairman Hermann Roy M. Atienza Director Rex V. Tantiongco Director Michael Ted R. Macapagal</p>	<p>The Nomination and Remuneration Committee has conducted four (4) committee meetings, four (4) joint meetings with the Risk Management and Audit Committees, and one (1) joint meeting with the Executive and Governance Committees. In these meetings, the following topics were presented, discussed and deliberated:</p> <ul style="list-style-type: none"> ● The request for the allocation of funds for the grant of Performance Based Incentive (PBI) for the years 2017 and 2018 in accordance with GCG Memorandum Circular (MC) No. 2018-04 ● 2017 Performance Based Bonus (PBB) of PNOC employees ● Major accomplishments and compliance with the requirements of regulatory agencies such as GCG, BIR, Department of Budget and Management,

		<p>Commission on Audit, Securities and Exchange Commission, Department of Finance, etc.</p> <ul style="list-style-type: none"> • Request for the adjustment of PNOC employees' 2018 PBB • Updates on placement of employees under GCG Approved PNOC Table of Organization and Staffing • Update on the status of appointment of some employees • Proposal on Directors' and Officers' Liability (DOLI) Trust Fund and review of the Board of Director's Allowances.
GOVERNANCE	<p><u>01 January – 22 October 2019</u> Chairman Alfonso G. Cusi President Reuben S. Lista Director Adolf P. Borje Director Jonas Guy S. De Leon</p> <p><u>22 October – 31 December 2019</u> Chairman Alfonso G. Cusi President Reuben S. Lista Director Adolf P. Borje Director Jonas Guy S. De Leon Director Michael Ted R. Macapagal</p>	<p>The Governance Committee, together with the Executive Committee, convened on 26 July 2019 and 16 August 2019 and deliberated on the following matters:</p> <ul style="list-style-type: none"> • GCG Letter regarding the PNOC RC • GCG Performance Evaluation System • Report on various MOUs and NDAs for Execution • Prescription of a Pro-Forma Template on PNOC MOUs and NDAs • Matters relating to the Petron Case for Reconveyance

		<p>The Governance Committee also met in joint meeting with the Executive Committee and the Nomination and Remuneration Committee on 21 October 2019 and discussed the revised 2020 Performance Scorecard for submission to the GCG and the proposed bill on PNOC Fiscal Autonomy.</p> <p>The Committee also met with all the other Board Committees on 8 November 2019 in preparation for the 2020 activities and to deliberate on the Management recommendations on the standing payables of the PSTC as well as its obligations to the BIR.</p>
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