



**25 APRIL 2022**

**JESUS CRISTINO P. POSADAS**  
*President and CEO*  
**PHILIPPINE NATIONAL OIL COMPANY (PNOC)**  
 PNOC Building 6, Energy Center, Rizal Drive,  
 Bonifacio Global City Taguig City

**ACKNOWLEDGEMENT RECEIPT**

LETTER **20 APRIL 2022**  
 DATE:

RE: **[E] LETTER FROM PNOC TO GCG RE SUBMISSION  
 OF MONITORING REPORT OF PERFORMANCE  
 TARGETS - FIRST QUARTER OF 2022**

The said document was officially received by the Governance Commission on 25 April 2022 and has been forwarded to the responsible GCG Officer for appropriate action.

To follow-up for further action on the document, you may contact us through telephone numbers (02) 5328-2030 or (02) 5318-1000. Please cite the GCG Document Management System (DMS) Barcode Number: **0-0832-25-04-2022-007901.**

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Received by:

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Signature over Printed Name

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Date and Time

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April 20, 2022

**HON. SAMUEL G. DAGPIN, JR.**  
Chairman  
Governance Commission for GOCCs  
Office of the President of the Philippines  
3/F Citibank Center, Citibank Plaza  
8741 Paseo De Roxas  
Makati City

Dear Chairman Dagpin:

We are pleased to submit PNOC's "Monitoring Report of Performance Targets" for the First Quarter of 2022.

Our focal person for your staff to coordinate with is our Strategy Management Office OIC-Manager, Ms. Maria Belinda L. Cubelo. Her contact number is 8789-7653 and her e-mail address is [mblcubelo@pnoc.com.ph](mailto:mblcubelo@pnoc.com.ph).

Thank you.

Very truly yours,

**JESUS CRISTINO P. POSADAS**  
President and CEO

  
GMB/EBA/RCC/mbic

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**PHILIPPINE NATIONAL OIL COMPANY  
MONITORING REPORT OF CY 2022 PERFORMANCE TARGETS  
FIRST QUARTER REPORT**

Strategic Perspective	Strategic Objective	Formula	Weight	Rating System	Target	1st Quarter		2nd Quarter	3rd Quarter	4th Quarter	
					2022	Target	Actual	Target	Target	Target	
SOCIAL IMPACT	SO 1	Contribute to Energy Security Targets									
	SM 1	Petroleum Products Sourcing, Storage and Distribution Project (Strategic Petroleum Reserve Program)	Actual Accomplishment	2.50%	All or Nothing	President Approved Inception Report and Work and Financial Plan on Strategic Petroleum Reserve (SPR) Program	Award of SPR Transaction Advisory Services Contract	Revised the Terms of Reference (TOR) to include DOE's recommendation of incorporating a short-term implementation plan in the scope of work. Submitted to DOE the revised TOR in Feb. 2022 for review and approval, in compliance to the requirements of DOE DC No. 2021-09-028.  Award of contract will slide to a later date this year.	Receipt, Review and Acceptance of the Transaction Advisor's Inception Report and Work and Financial Plan  Submission and Presentation to the President, for approval	Conduct of Technical Feasibility Study	Conduct of Technical Feasibility Study (continuation from Q3)  Receipt, Review and Acceptance of Technical Feasibility Study  Commencement of the conduct of Full Detailed Feasibility Study
	SM 2	Development of Decentralized Energy System through the Use of Waste to Energy Technology  (DES-WTE Project)	Actual Accomplishment	2.50%	All or Nothing	President Approved Concept Study/Paper on Decentralized Energy Systems (DES) Using Waste to Energy Technologies	Submission/ Presentation of the Project Concept Study/Paper to the President for approval	Completed the DES Project Concept Paper. Submitted and approved by the PNOC President on March 16, 2022.  See <b>Annex A</b>	Preparation/ Development of Project Framework/Pre-Feasibility Study	Development of Project Framework/Pre-Feasibility Study (continuation)	Development of Project Framework/Pre-Feasibility Study (continuation)
STAKEHOLDERS	SO 2	Establish a Comprehensive Relationship Management for Mutually Beneficial Linkages with Key Stakeholders									
	SM 3	Percentage of Satisfied Customers	Number of satisfied customers / Total number of customers	10%	Actual over Target  If less than 80% = 0%	90% Satisfied Customers (Lessees, PNOC Industrial Park Locators & ESB Customers)	-		Prepare Terms of Reference and Work Order Requisition for the Conduct of PNOC Customer Satisfaction Survey for CY 2022	Procure/Bid Consultant for the Conduct of Customer Satisfaction Survey for CY 2022	Engage Consultant for the Conduct of the Customer Satisfaction Survey for CY 2022

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					2022	Target	Actual	Target	Target	Target	
FINANCE	SO 3	Maintain a Sound Financial Condition									
	SM 4	Net Income	Income from Operations  Add/deduct: Forex Gains/Loss, Other Income, Income Tax & Unrealized Gain/Loss	25%	Actual over Target	P104.50 Million	P16.75 Million	P386.426 Million  See Annex B	P35.18 Million	P38.83 Million	P 13.74 Million
INTERNAL BUSINESS PROCESS	SO 4	Develop Energy Infrastructure									
	SO 5	Maintain Efficient Management of PNOC Energy Facilities									
	SM 5	Compliance to Integrated Management System (IMS) Standards for PNOC Industrial Park	Actual Accomplishment	5%	All or Nothing	Pass Re-Certification	Issuance of Special Orders  Review and updating of IMS Manual	Issued Special Orders for the composition of the Management Review Committee, IMS Team and Audit Team.  Ongoing Review and updating of IMS Documents and Manuals  See Annex C	Review and updating of IMS Manual  Attendance to Trainings	Review and updating of IMS Manual  Conduct of Internal Audit  Conduct of Management Review	c
	SM 6	Pass Certification - ISO 9001:2015 Quality Management Systems for ESB Operations (Systems and Procedures) and ISO 45001:2018 Occupational Health and Safety Management System	Actual Accomplishment	10%	All or Nothing	Pass 2nd Surveillance Audit	Conduct IMS Meeting (3/12 Minutes of Meeting)	Conducted 3 IMS Meetings. Commenced review and update of HIRAC.  Jan. 25, 2022 Feb. 28, 2022 Mar. 28, 2022  See Annex D	Conduct IMS Meeting (6/12 Minutes of Meeting)  Conduct Process Review	Conduct IMS Meeting (9/12)  Conduct Internal Audit  Review/revisit HIRAC/FMEA	1. Conduct of Management Review and  2. Conduct of 2nd Surveillance Audit
	SO 6	Optimize Asset Productivity									
	SM 7	Operation of Energy Supply Base (ESB)	Total No. of DOS conducted over Total No. of Berthed Foreign Vessels	5%	Actual over Target	100% Conduct of the Declaration of Security (DOS) within 18 hours upon berth of foreign vessel at ESB Pier	100% Conduct of DOS within 18 hours upon berth of foreign vessel  Conducted 9/9 DOS of foreign vessels berthed at ESB.  Ave = 3 hours and 7 minutes  See Annex E	100% Conduct of DOS within 18 hours upon berth of foreign vessel	100% Conduct of DOS within 18 hours upon berth of foreign vessel	100% Conduct of DOS within 18 hours upon berth of foreign vessel	

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INTERNAL BUSINESS PROCESS	SM 8	Improvement/Upgrade of ESB's Facility	Actual Accomplishment over Targeted Completion of 50% on Marginal Wharf	5%	Rate of Completion 5 - completed > 90% 4 - completed =80% and <= 90% 3 - completed =75% to <80% 2 - completed =65% to <75% 1 - completed below 65%	Repair of damaged RIP-RAP	Repair of damaged RIP-RAP 100% completed by March 31, 2022	Completed 100% repair of damaged RIP-RAP  See Annex F			
	SM 9	Improvement/Upgrade of ESB's Facility	Actual Accomplishment	5%	Rate of Completion 5 - completed > 90% 4 - completed =80% and <= 90% 3 - completed =75% to <80% 2 - completed =65% to <75% 1 - completed below 65%	Completion of Ingress/Egress Ramp at ESB Main Gate	40% Accomplishment consisting of mobilization, securing of permits and licenses, Safety and Health Program, demolition of existing road pavement, and preparation of sub-base course.	Completed 100% construction of Ingress/Egress Ramp at ESB Main Gate  See Annex G	100% Accomplishment consisting of continuation of preparation of sub-base course, preparation of base course, concrete pouring of pavement and demobilization		
	SM 10	Number of PDMC Assets Utilized/Disposed at a Gain	Number of PDMC Assets Utilized/Disposed at a Gain over Target Number of PDMC Assets Utilized/Disposed at a Gain	4%	Actual over Target	Disposal through sale of 5 additional Costa Verde and/or El Pueblo Properties	Disposal through sale of 2 additional Costa Verde and/or El Pueblo Properties	-	Disposal through sale of 1 additional Costa Verde and/or El Pueblo Properties	Disposal through sale of 1 additional Costa Verde and/or El Pueblo Properties	Disposal through sale of 1 additional Costa Verde and/or El Pueblo Properties
	SM 11	Number of PDMC Assets Utilized/Disposed at a Gain	Number of PDMC Assets Utilized/Disposed at a Gain over Target Number of PDMC Assets Utilized/Disposed at a Gain	4%	Actual over Target	Disposal through sale of 10 Socialized Housing Program Lots	Disposal through sale of 2 Socialized Housing Program Lots	Disposed through sale 8 Socialized Housing Program Lots  See Annex H	Disposal through sale of 3 Socialized Housing Program Lots	Disposal through sale of 3 Socialized Housing Program Lots	Disposal through sale of 2 Socialized Housing Program Lots

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						2022	Target	Actual	Target	Target	Target
<b>INTERNAL BUSINESS PROCESS</b>	SM 12	PNOC/PAFC/PSTC Property Utilized/ Leased/Disposed	Actual Accomplishment	2%	Actual over Target	Utilization/Lease/ Disposal of any one (1) PNOC/PAFC/ PSTC Property		Leased to Philippine Reclamation Authority office spaces at PNOC Building 4A, Energy Center, Bonifacio Global City.  See Annex I			Utilization/Lease/ Disposal of any one (1) PNOC/PAFC/ PSTC Property
	SM 13	Sale of Remaining Volume of Banked Gas	Actual Accomplishment	5%	5% - 3 Petajoules (PJ) or more of banked gas delivered  3% -more than 1PJ up to less than 3 PJ of banked gas delivered  1% - 0.50 to 1 PJ of banked gas delivered	Delivery of 3 Petajoules (PJ) of Banked Gas	Finalization and Presentation of the GSPA to the PNOC Board for Approval	Approved by the PNOC Board the GSPAs with two buyers on Nov. 11, 2021.  Signed GSPAs with two buyers last December 24, 2021.  Delivered a total of 2.51 PJ as of March 26, 2022.  See Annex J	Signing of the GSPA  Submission of signed GSPA to SPEX as PNOC banked gas administrator  Commence Administration of GSPA/Delivery of Contracted Banked Gas	Continuation of GSPA Administration/ Delivery of Contracted Banked Gas  Submission of Delivery Reportorial Requirement to DOE	
	SO 7	Acquire, Develop, Retain and Motivate Talents for Peak Performance									
<b>LEARNING &amp; GROWTH</b>	SM 14	Percentage of employees with required competencies met	Targeted Number of Employees with Required Competencies over Total Number of Targeted Employees	5%	Actual over Target	Increase from Baseline  Employees for competency matching will meet their required baseline competency by end of 2022  (2021 - 90.74%) 98 out of 108 total number of employees, or 90.74% have met their required competencies vis-à-vis position held.	Update Employee Competency Assessment (ECA) and Individual Development Plan (IDP); Coordinate/ monitor with departments the completion of the target employees' competency needs using the Employee Baseline Competency Monitoring Report	Disseminated to employees trainings /seminars offered by training institutions to address their competency gaps.  Facilitated attendance of employees to trainings/ seminars:  In-house = 7 Local Training = 44  See Annex K	Submit the 2nd Quarter Summary of Employee Competency Gap Monitoring Report (ECGMR)	Submit the 3rd Quarter Summary of Employee Competency Gap Monitoring Report (ECGMR)	Submit the 4th Quarter Summary of Employee Competency Gap Monitoring Report (ECGMR), and Summary of Employee Baseline Competency Report;

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<b>INTERNAL BUSINESS PROCESS</b>	SO 8	Develop, Implement and Maintain Efficient and Effective Systems									
	SM 15	PNOC Compliance to Quality Standards (PNOC ISO Certification)	Actual Accomplishment	10%	All or Nothing	Pass 2nd Surveillance Audit	Conduct of Internal Quality Audit Training	Issued Internal Audit Itinerary and Special Order for the composition of the Internal Quality Audit Team.  See Annex L	Conduct Internal Audit, Management Review, Prepare documentation and implementation requirements for the 2nd Surveillance Audit	Pass the 2nd Surveillance Audit	Conduct Customer Satisfaction Survey
		<b>Total Weight</b>		<b>100%</b>							