



25 JULY 2023

MR. OLIVER B. BUTALID
PHILIPPINE NATIONAL OIL COMPANY (PNOC)

ACKNOWLEDGEMENT RECEIPT

LETTER **18 JULY 2023**
 DATE:

RE: **[E] LETTER FROM PNOC TO GCG SUBMITTING ITS
 PNOCs MONITORING REPORT OF PERFORMANCE
 TARGETS FOR THE 2ND QUARTER OF 2023**

The said document was officially received by the Governance Commission on 25 July 2023 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: **0-0325-25-07-2023-016011**.

THIS RECEIPT IS COMPUTER GENERATED AND DOES NOT REQUIRE SIGNATURE.

Received by:

Signature over Printed Name

Date and Time

PRIVACY NOTICE: Any or all personal data you provided will only be used to process your transaction with the GCG and for other compatible purposes. All collected data will be kept secure and confidential, unless otherwise authorized by law. They will be disposed of as soon as the purpose for their use has been achieved. Only aggregate or anonymized data shall be subject to further processing. We respect your rights under the Data Privacy Act. Should you wish to invoke any such rights in relation to our processing of your personal data, or have questions or clarifications relative to privacy and data protection, you may contact the GCG – Data Privacy Team at privacy@gcg.gov.ph. You may lodge your complaint or submit an incident report form in the same email address.

“Upholding a Transparent and Responsive GOCC Sector for the Filipino People”





July 18, 2023

JUSTICE ALEX L. QUIROZ (Ret.)
Chairperson

ATTY. GIDEON D. V. MORTEL, D.C.L.
Commissioner

ATTY. GERALDINE MARIE BERBERABE-MARTINEZ
Commissioner

Governance Commission for GOCCs
3/F BDO Paseo Towers (Formerly Citibank Centre),
Paseo de Roxas Avenue, Makati City

Dear Chairperson and Commissioners:

We are pleased to submit PNOC's Monitoring Report of Performance Targets for the **Second Quarter** of 2023.

We hope you find our submitted documents in order. Our focal person for your staff to coordinate with should you have any questions, clarifications or need additional information, is Ms. Alma B. Taganas, Officer in Charge of the Strategy Management Office (email: abtaganas@pnoc.com.ph).

Thank you.

Very truly yours,


OLIVER. B. BUTALID
President and Chief Executive Officer

Philippine National Oil Company



PHILIPPINE NATIONAL OIL COMPANY
MONITORING REPORT OF CY 2023 PERFORMANCE TARGETS
SECOND QUARTER REPORT

Strategic Perspective	Strategic Objective	Formula	Weight	Rating System	Target	1st Quarter	2nd Quarter		3rd Quarter	4th Quarter	
					2023	Actual	Target	Actual	Target	Target	
SOCIAL IMPACT	SO 1	Contribute to Energy Security Targets									
	SM 1	Development of Decentralized Energy System through the Use of Renewable Energy Technology (Solar PV Technology)	Actual Accomplishment	10%	All or Nothing	Board-Approved Detailed Feasibility Study (DFS) on Decentralized Energy Systems (DES) Using Renewable Energy (Solar PV Technology)	Commenced preparation of the Detailed Feasibility Study on the Decentralized Energy Systems (DES) using Renewable Energy (Solar PV Technology)	Continuing Preparation of Project DFS	The DFS for the development of DES Project (using solar PV technology) in PNOC ESB has been drafted and targeted to be presented to PNOC Board in July 2023.	Presentation of Project DFS to the PNOC President for endorsement to PNOC Board for approval	Commence competitive selection for Engineering, Procurement and Construction
STAKEHOLDERS	SO 2	Establish a Comprehensive Relationship Management for Mutually Beneficial Linkages with Key Stakeholders									
	SM 2	Percentage of Satisfied Clients	Number of satisfied respondents over Total number of respondents	10%	Actual over Target If less than 80% = 0%	90% Satisfied Customers			Issued memo re: Advisory on Harmonized Client Satisfaction Measurement and Client Satisfaction Survey Requirements for GOCCs Collection of accomplished survey forms of PNOC external services, both online and onsite ongoing. See Annex A	Procure/Bid Consultant for the Conduct of the ARTA Client Satisfaction Survey for CY 2023	Engage Consultant for the Conduct of the ARTA Client Satisfaction Survey for CY 2023
FINANCE	SO 3	Maintain a Sound Financial Condition									
	SM 3	Net Income	Income from Operations <i>Add/deduct:</i> Forex Gains/Losses, Other Income, Income Tax & Unrealized Gains/Losses	25%	Actual over Target	P1,987 Million	P678.87 Million	P497 Million	P965.56 Million	P497 Million	P496 Million

PHILIPPINE NATIONAL OIL COMPANY
MONITORING REPORT OF CY 2023 PERFORMANCE TARGETS
SECOND QUARTER REPORT

Strategic Perspective	Strategic Objective		Formula	Weight	Rating System	Target	1st Quarter	2nd Quarter		3rd Quarter	4th Quarter	
						2023	Actual	Target	Actual	Target	Target	
FINANCE	SM 4	Budget Utilization Rate (BUR)	Actual Disbursement over Total Approved Budget for CO and MOOE	5%	Actual over Target	90%	CO = 1.00% MOOE = 21.13% Total: 8.87%		CO = 9.42% MOOE = 51.38% Total: 25.83% See Annex C		90%	
	SO 4	Develop Energy Infrastructure										
	SO 5	Maintain Efficient Management of PNOC Energy Facilities										
INTERNAL BUSINESS PROCESS	SM 5	Compliance to Integrated Management System (IMS) Standards for PNOC Industrial Park	Actual Accomplishment	5%	All or Nothing	Pass 1st Surveillance Audit	Issued Special Order for the composition of the IMS Secretariat. Review and updating of IMS Manual ongoing.	Review and updating of IMS Manual Attendance to Trainings	Review and updating of the IMS Manual ongoing. Completed conduct of Internal IMS Audit. Implemented 11 DCCRs. See Annex D	Review and updating of IMS Manual Conduct of Internal Audit Conduct of Management Review	Conduct of 1st Surveillance Audit Issuance of Certificate by CB	
	SM 6	Pass Certification - ISO 9001:2015 Quality Management Systems for ESB Operations and ISO 45001:2018 Occupational Health and Safety Management System	Actual Accomplishment	5%	All or Nothing	Pass Re-Certification	Conducted 3 IMS Meetings: Jan. 27, 2023 Feb. 28, 2023 Mar. 24, 2023 Review of IMS Manual and HIRAC ongoing.	Conduct IMS Meetings (6/12 Minutes of Meeting) Conduct Process Review	Conducted 3 IMS Meetings: Apr. 27, 2023 May 23, 2023 June 30, 2023 Completed Review of HIRAC on May 31, 2023 Processed 3 DCCRs. See Annex E	Conduct IMS Meetings (9/12 Minutes of Meeting) Conduct Internal Audit Review/revisit HIRAC/FMEA	Conduct of Management Review Conduct of Re-Certification Audit	
	SO 6	Optimize Asset Productivity										

PHILIPPINE NATIONAL OIL COMPANY
MONITORING REPORT OF CY 2023 PERFORMANCE TARGETS
SECOND QUARTER REPORT

Strategic Perspective	Strategic Objective		Formula	Weight	Rating System	Target	1st Quarter	2nd Quarter		3rd Quarter	4th Quarter
						2023	Actual	Target	Actual	Target	Target
INTERNAL BUSINESS PROCESS	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 14 hours upon berth of foreign vessel at ESB Pier	Conducted 15/15 DOS of foreign vessels berthed at ESB. Ave = 4 hours and 26 minutes	100% Conduct of the DOS within 14 hours upon berth of foreign vessel at ESB Pier	Conducted 19/19 DOS of foreign vessels berthed at ESB. Ave = 3 hours and 52 minutes See Annex F	100% Conduct of the DOS within 14 hours upon berth of foreign vessel at ESB Pier	100% Conduct of the DOS within 14 hours upon berth of foreign vessel at ESB Pier
	SM 8	Number of PDMC Assets Utilized/Disposed at a Gain	Number of PDMC Assets Utilized/Disposed at a Gain	5%	Actual over Target	Disposal through sale of 5 additional Costa Verde and/or El Pueblo Properties	Disposed through sale 4 Costa Verde and El Pueblo Properties: <u>2 Costa Verde</u> - Blk 38 Lot 64 - Blk 38 Lot 65 <u>2 El Pueblo</u> - Unit C 442 - Unit C 714	Disposal through sale of 5 additional Costa Verde and/or El Pueblo Properties	-	Disposal through sale of 5 additional Costa Verde and/or El Pueblo Properties	Disposal through sale of 5 additional Costa Verde and/or El Pueblo Properties
		Number of PDMC Assets Utilized/Disposed at a Gain	Number of PDMC Assets Utilized/Disposed at a Gain	5%	Actual over Target	Disposal through sale of 10 Socialized Housing Program Lots	-	Disposal through sale of 10 Socialized Housing Program Lots	Disposed through sale 7 Socialized Housing Program Lots (DOAS for Notary)	Disposal through sale of 10 Socialized Housing Program Lots	Disposal through sale of 10 Socialized Housing Program Lots

**PHILIPPINE NATIONAL OIL COMPANY
MONITORING REPORT OF CY 2023 PERFORMANCE TARGETS
SECOND QUARTER REPORT**

Strategic Perspective	Strategic Objective		Formula	Weight	Rating System	Target	1st Quarter	2nd Quarter		3rd Quarter	4th Quarter
						2023	Actual	Target	Actual	Target	Target
INTERNAL BUSINESS PROCESS	SM 9	PNOC/PAFC/PSTC Property Utilized/ Leased/Disposed	Actual Accomplishment	5%	Actual over Target	Utilization/Lease/ Disposal of any one (1) PNOC/PAFC/ PSTC Property	Executed Locator Agreement bet. PNOC (as administrator of PAFC) and Natural Resources Development Corporation (NRDC) for the lease of 7,629,909 sqm. at the PNOC Industrial Park	Utilization/Lease/ Disposal of any one (1) PNOC/PAFC/ PSTC Property	-	Utilization/Lease/ Disposal of any one (1) PNOC/PAFC/ PSTC Property	Utilization/Lease/ Disposal of any one (1) PNOC/PAFC/ PSTC Property
	SM 10	Disposal of Banked Gas	Actual Accomplishment	10%	Actual over Target	Delivery of 5 Petajoules (PJ) of Banked Gas	Submitted delivery reports to DOE (January to March 2023) Delivered a total of 2.577 PJ (Covering a period of 26 Dec. 2022 to 25 March 2023)	Continuation of GSPA Administration/ Delivery of Contracted Banked Gas Submission of Delivery Reportorial Requirement to DOE	Submitted delivery reports to DOE (April to June 2023) Delivered a total of 5.754 PJ (Covering a period of 26 Dec. 2022 to 25 June 2023) See Annex G	Continuation of GSPA Administration /Delivery of Contracted Banked Gas Submission of Delivery Reportorial Requirement to DOE	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									

**PHILIPPINE NATIONAL OIL COMPANY
MONITORING REPORT OF CY 2023 PERFORMANCE TARGETS
SECOND QUARTER REPORT**

Strategic Perspective	Strategic Objective		Formula	Weight	Rating System	Target	1st Quarter	2nd Quarter		3rd Quarter	4th Quarter
						2023	Actual	Target	Actual	Target	Target
INTERNAL BUSINESS PROCESS	SM 11	Percentage of Employees with Required Competencies Met	Number of Employees with Required Competencies Met over Total Number of Employees	5%	All or Nothing	Increase from 2022 Baseline	Disseminated to employees the list of trainings /seminars offered by training institutions to address their competency gaps. Facilitated attendance of employees to trainings/ seminars: Local = 31 In-House = 2	Submit the 2nd Quarter Summary of Employee Competency Gap Monitoring Report (ECGMR) Remind employees with competency gaps to attend relevant trainings	Submitted the 2nd Quarter Summary of ECGMR. Disseminated to employees the list of trainings offered by training institutions to address their competency gaps. Facilitated attendance of employees to trainings/ seminars: Local = 43 In-House = 1 See Annex H	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
	SO 8	Develop, Implement and Maintain Efficient and Effective Systems									
LEARNING & GROWTH	SM 12	Compliance to Quality Standards	Actual Accomplishment	5%	All or Nothing	Pass Re-Certification	Completed Terms of Reference (TOR) for the engagement of a Training Provider on QMS Appreciation	Document Review Internal Quality Audit	Conducted document review and completed conduct of Internal Quality Audit. Completed conduct of QMS Appreciation Training on May 29, 31 and June 2, 2023. See Annex I	Management Review ISO 9001:2015 recertification	
		Total Weight		100%							