



PHILIPPINE NATIONAL OIL COMPANY

Energy Center, Rizal Drive, BGC, Taguig City 1634

MEMORANDUM

For: PNOC Board of Directors

Date: 15 January 2025

Subject:
**PNOC Board Performance
Appraisal for CY 2024**

Pursuant to the Governance Commission for GOCCs' requirements, the Board of Directors approved and adopted last 8 November 2024 Special Meeting the PNOC Board Performance Appraisal System (Board Resolution No. 2987, S'2024). This System aims to help identify the Board's strengths, areas for improvement, and development opportunities that will contribute to effective governance.

The Board Performance Appraisal consists of two (2) parts namely: (1) PNOC Board Appraisal and (2) Board Committees' Appraisal.

1st Part: PNOC Board Appraisal

This part consists of 2 sections. The first concerns the Individual Director's Self-assessment while the second concerns the collective Board performance.

2nd Part: Board Committees' Appraisal

This part consists of 2 sections as well. The first concerns the self-assessment of his/her performance as an Individual Member of the Committee (Self-Assessment) while the second concerns the Board Committee performance evaluation (collective). If a Director is a member of several Board committees, he/she shall answer the corresponding questionnaire for those committees.

Assessment Components

The Board's performance will be assessed based on the following key components:

1. Individual Director Self-Assessment (30%)
 - A. Board Governance
 - B. Contribution to Board Discussions and Decisions
 - C. Relationship with Stakeholders
 - D. Personal Development and Knowledge
2. Collective Board Performance (40%)
 - A. Board's Strategic and Governance Role
 - B. Board's Decision-Making Process
 - C. Risk Management and Internal Controls
 - D. Long-term Sustainability and Ethical Governance

3. Individual Committee Performance Evaluation (10%)
 - A. Committee Participation
4. Committee Performance Evaluation (20%)
 - A. Committee Effectiveness

Scoring System

A. Scoring for Each Statement:

- 3 - Agree: 3 points
- 2 - Neither agree nor disagree: 2 points
- 1 - Disagree: 1 point

B. For both Individual and Collective assessments, the following adjectival ratings will be applied based on the numerical score averages:

- **Excellent:** Total score between 78- 96 points (81-100%)
- **Satisfactory:** Total score between 67 - 77 points (70-80%)
- **Needs Improvement:** Total score less than 66 points (less than 70%)

Timeline

On 15 January 2025, the Office of the Corporate Secretary (OCS) distributes a digital copy of the questionnaires *via* email. If a Director wishes to have printed copies, he may request from the OCS.

On 1 February 2025, the members of the Board are requested to return the fully accomplished forms to the OCS. Thereafter, the OCS will consolidate and calculate the scores, and prepare a Report.

On 28 February 2025, the OCS submits the Report to the Governance Committee for its discussion.

On 10 March 2025, the Governance Committee submits a Report to the Chairman of the Board.

Should you have any question, please do not hesitate to contact me. Thank you.

Confidentiality

All responses shall be treated with strict confidentiality. Individual Director scores will not be shared.



ATTY. NEIL L. NABUAB
Corporate Secretary