| | Title of Manual | Document No. | | |
|----------------------------|---------------------------|----------------|---------|--|
| | SYSTEM PROCEDURES MANUAL | QMS-05 | | |
| | Department/ Process Owner | Effective Date | | |
| | PNOC QMS TEAM | September | 6, 2021 | |
| PNOC The Energy Company | Title of Document | Revision No. | Page | |
| 8532 \$2 . 35 | INTERNAL QMS AUDIT | 2 | 1 of 6 | |

1.0 Objectives

- 1.1 To provide guidelines in planning, preparing, and performing internal QMS audit.
- 1.2 To provide guidelines in reporting audit results and following up status of actions taken to address nonconformities found during the audit.

2.0 Scope

This procedure covers all processes, functions, and operational areas covered by PNOC QMS.

3.0 Definition of Terms

- 3.1 Audit a systematic and documented process of obtaining objective evidence of conformity to a standard or criteria
- 3.2 Auditee a person or function being audited
- 3.3 Audit findings result of evaluating audit evidence against the criteria; it can be conformity, nonconformity, or observation
- 3.4 Auditor a person with competence to conduct quality, environment, health, and safety management system audit
- 3.5 Nonconformity (NC) a non-fulfillment of a specified requirement of the standards, policy, procedures, and other planned arrangements

4.0 References

- 4.1 ISO 19011:2018 Guidelines for Auditing Management Systems
- 4.2 ISO 9001:2015 Quality Management System

| | Title of Manual | Document No. | • | |
|----------------------------|---------------------------|-------------------|--------|--|
| | SYSTEM PROCEDURES MANUAL | QMS-05 | | |
| | Department/ Process Owner | Effective Date | | |
| | PNOC QMS TEAM | September 6, 2021 | | |
| PNOC The Energy Company | Title of Document | Revision No. | Page | |
| | INTERNAL QMS AUDIT | 2 | 2 of 6 | |

Policies and Guidelines

5.1 General

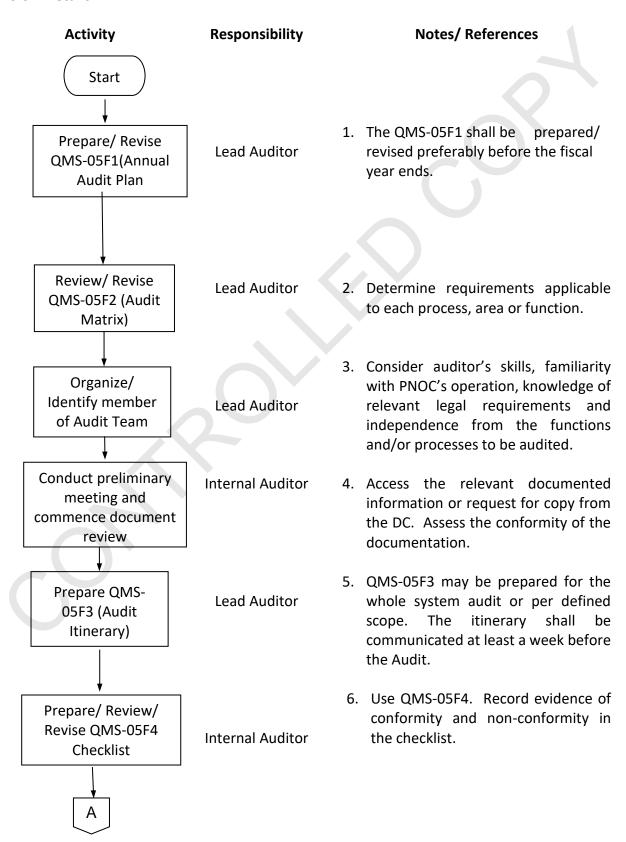
5.1.1 The entire QMS shall be audited at least once a year, taking into consideration the status and importance of the processes/ areas/ functions to be audited and results of previous audits.

- 5.1.2 The head of the audited area/unit shall be responsible in ensuring that nonconformities and observations detected during the audit are addressed promptly.
- 5.1.3 If nonconformities were found during the audit, the lead auditor shall follow up and verify the actions taken within 2 weeks after the date committed by the action party/ auditee.
- 5.1.4 If there were no nonconformities, monitoring of observations will be done by the Internal Audit Office as to the compliance to the action plans before the next scheduled audit.
- 5.2 Internal auditors' competence program
 - 5.2.1 Internal Auditors shall follow a training program to ensure their competence.
 - 5.2.2 Internal Auditors will not be allowed to audit his/her own process
 - 5.2.3 Auditors' training shall be planned and monitored.
 - 5.2.4 Internal Auditors shall complete the minimum requirements as follows:
 - Understanding of requirements of ISO 9001:2015 5.2.4.1
 - 5.2.4.2 Basic internal auditing skills
 - Understanding of PNOC's processes 5.2.4.3
 - 5.2.5 Auditors shall be allowed to audit only the areas and processes where they have sufficient competence. Those who have training gaps shall be:
 - 5.2.5.1 Allowed to audit under the supervision of an audit team leader
 - 5.2.5.2 Required to complete training deficiencies
 - 5.2.5.3 Included in subsequent auditor training programs

| DNOC |
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| The Energy Company |
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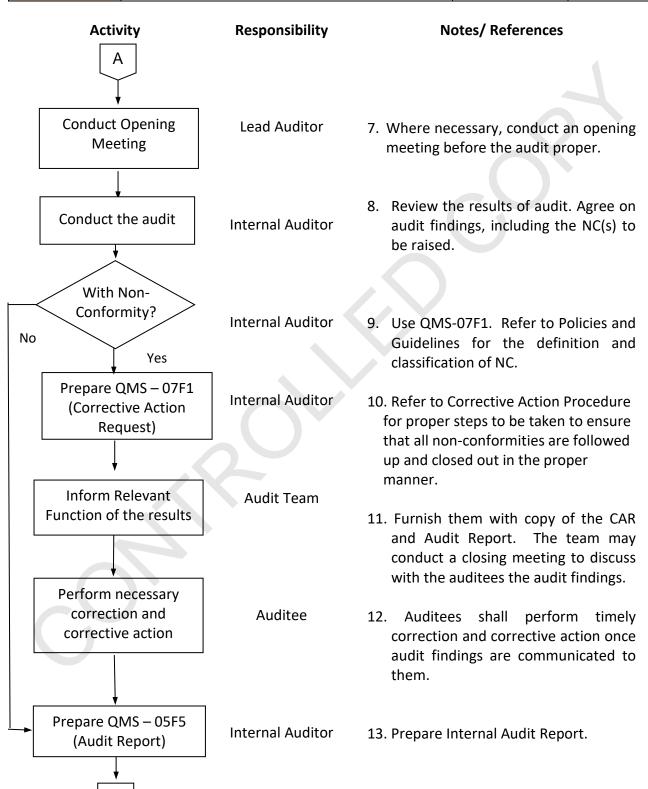
| Title of Manual | Document No. | | | | |
|---------------------------------|-------------------|--------|--|--|--|
| SYSTEM PROCEDURES MANUAL QMS-05 | | | | | |
| Department/ Process Owner | Effective Date | | | | |
| PNOC QMS TEAM | September 6, 2021 | | | | |
| Title of Document | Revision No. | Page | | | |
| INTERNAL QMS AUDIT | 2 | 3 of 6 | | | |

6.0 Details



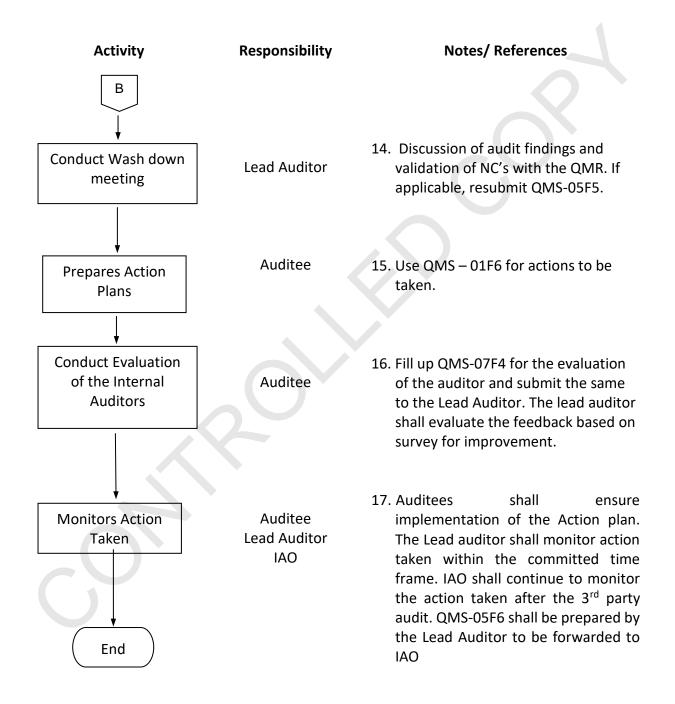


| Title of Manual | Document No. | | | | |
|---------------------------|-------------------|--------|--|--|--|
| SYSTEM PROCEDURES MANUAL | AL QMS-05 | | | | |
| Department/ Process Owner | Effective Date | | | | |
| PNOC QMS TEAM | September 6, 2021 | | | | |
| Title of Document | Revision No. | Page | | | |
| INTERNAL QMS AUDIT | 2 | 4 of 6 | | | |





| Title of Manual | Document No. | • | | | |
|---------------------------|---------------------------|--------|--|--|--|
| SYSTEM PROCEDURES MANUAL | QMS-05 | | | | |
| Department/ Process Owner | Effective Date | | | | |
| PNOC QMS TEAM | PNOC QMS TEAM September 6 | | | | |
| Title of Document | Revision No. | Page | | | |
| INTERNAL QMS AUDIT | 2 | 5 of 6 | | | |





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|--|-------------------|--------|--|--|--|
| SYSTEM PROCEDURES MANUAL QMS-05 | | | | | |
| Department/ Process Owner Effective Date | | | | | |
| PNOC QMS TEAM | September 6, 2021 | | | | |
| Title of Document | Revision No. | Page | | | |
| INTERNAL QMS AUDIT | 2 | 6 of 6 | | | |

7.0 Records/ Files Generated

QMS-05A1 Classification of Audit Findings

QMS-05F1 Annual Audit Plan

QMS-05F2 Audit Matrix

QMS-05F3 Audit Itinerary

QMS-05F4 IA Checklist

QMS-05F5 Audit Report

QMS-05F6 Monitoring of Observations

QMS-05F7 Internal Auditors Training Matrix

8.0 Attachments

Sample Forms

| Rev. No. | Affected pages/ section | Revision History |
|-------------|----------------------------|---|
| 0 | - | New version of PNOC QMS; to include PNOC Energy Supply Base and PNOC Industrial Park. |
| 1 | Page 4 to 6 | To include in the process the document review and evaluation of internal auditors |
| 2 | All pages | Section 1 – to correct the word "unconformities" to "nonconformities" Section 5 – minor revisions on 5.1.2, 5.1.3 and 5.1.4 for clarity of the statement - Include 5.2.2 this statement "Internal Auditors will not be allowed to audit his/her own process" Section 6 – indicated the form number of the forms being mentioned - Added activity for the conduct of preliminary meeting, washdown meeting, preparation of action plan and monitoring of the action taken Change in effectivity dates |

| Prepared by | Reviewed by | Approved by |
|--------------|-----------------------------------|---------------------|
| J. R. Racho | & here h arket M. B. L. Cubelo | Atty. G. M. Barleta |
| Lead Auditor | Deputy QMR | SVP Energy Business |



Energy Center, Bonifacio Global City, Taguig City

ANNUAL AUDIT PLAN FOR Year 2020 As of September 1, 2020

QMS-05F1 Rev.0

| AUDITE PROCESS FUNCTION / PREADMENT / DIVISION | QMS-05F1 Rev.0 | | | | | | | | | REMARKS | | | |
|---|----------------|-----|-----|-----|-----|-----|-----|-----|-----|---------|-----|-----|--|
| AUDITEE - PROCESS/ FUNCTION/ DPEARTMENT/ DIVISION | | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | ост | NOV | DEC | |
| Top Management (Department Manager) | | | | | | | | | | | | | |
| 2. QMS Team (Including QMR) | | | | | | | | | | | | | |
| 3. Internal QMS Audit | | | | | | | | | | | | | |
| 1. Document Control | | | | | | | | | | | | | |
| 5. SMO (Planning) | | | | | | | | | | | | | |
| 5. Project Management department | | | | | | | | | | | | | |
| 7. Business Research & Development department | | | | | | | | | | | | | |
| 8. Asset management department | | | | | | | | | | | | | |
| 9. Office of the General Counsel | | | | | | | | | | | | | |
| 10. Management Information System Services | | | | - | | - | | | | | | | |
| 11. Treasury Department | | | | | | | | | | | | | |
| 12. Accounting Department | | | | | | | | | | | | | |
| 13. Admin- General Services Division | | | | | | | | | | | | | |
| 14. Admin – Personnel Services Division | | | | | | | | | | | | | |
| 15. Admin - Procurement Management division | | | | | | | | | | | | | |



Energy Center, Bonifacio Global City, Taguig City

ANNUAL AUDIT PLAN FOR Year 2020 As of September 1, 2020

OMS-05F1 Rev 0

| AUDITE PROCESS FUNCTION / PREATMENT / DIVISION | SCHEDULE | | | | | | | | REMARKS | | | | |
|---|----------|-----|-----|-----|-----|-----|-----|-----|---------|-----|-----|-----|--|
| AUDITEE - PROCESS/ FUNCTION/ DPEARTMENT/ DIVISION | | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | ОСТ | NOV | DEC | |
| 16. Admin - Property Management division | | | | | | | | | | | | | |
| 17. Corporate Relations Division | | | | | | | | | | | | | |
| 18. Office of the Corporate Secretary | | | | | | | | | | | | | |
| 19. Internal Audit Office | | | | | | | | | | | | | |
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| L1 | Internal | L3 – 3 Party | | | | | |
|--------------|----------------|-----------------|-------------------------|---------------------------|------|--|--|
| | | | | | | | |
| Prepared by: | | Date | Approved by: | Date: | | | |
| | (Signature ove | r printed name) | | (Signature over printed n | ame) | | |
| | Lead Interna | QMS Auditor | SVP for Energy Business | | | | |



INTERNAL QMS AUDIT MATRIX QMS-05F2 Rev.0

| ISO 9001 | Requirements | | | | | Planning | | Core | | | | | SU | PPORT | | | | | | | |
|----------|---|-------------------------------------|----------|------------------|--------------------|--------------------|--|--|-----------------------------------|--|---|-----------------------------------|-------------------------------------|---|---|------------------------|---------------------|----------------------------------|----------------------------|----------------|---------|
| 2015 | Departments | ТОР | QMS | DCC | IQA | SMO | AMD | PMD | BRDD | 290 | TRD | MIS | PAD | PSD | GSD | ProcMD | PropMD | CRD | SOO | IAO | REMARKS |
| Clauses | Processes | Leadership, Planning, Mgt Review | MR, Team | Document Control | Internal QMS Audit | Strategic Planning | Asset Development, Asset Administration | Project management/implementati on | Business research and development | Contracts,/Legal Opinion, Litigation,Legal services | Fund Sourcing and Management , Budgeting | Maanagement Information System | Accounting , Financial Reporting | Recruitment, Retention, Separation. Compensation and Benefits, Training | Office Services, Transport, Facilities Maintenance, Communicati on | Procurement Management | Property Management | Corporate Communications, CSR | Board Secretariat Services | Internal Audit | |
| 4.1 | Understanding the Context of the Organization | Х | × | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | × | 0 | |
| 4.2 | Understanding the Requirements of Interested Parties | Х | × | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | X | 0 | |
| 4.3 | Scope of the QMS | | Х | | | | | | | | | | | | | | | | | | |
| 4.4 | QMS and its processes | | X | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | |
| 4.4.2 | Documentation Requirements | | X | X | | | | | | | | | | | | | | | X | | |
| 5.1 | Leadership and Commitment | Х | X | | | | | | | | | | | | | | | | X | | |
| 5.1.2 | Customer Focus | Х | X | | | | | | | | | | | | | | | | X | | |
| 5.2 | Quality Policy | Х | X | | | | | | | | | | | | | | | | X | | |
| 5.3 | Responsibility and Authority | 0 | 0 | | | | | | | | | | | X | | | | | | | |
| 6.1 | Actions to Address Risks and Opportunities | | | | | X | X | X | X | × | Х | Х | X | Х | × | Х | Х | Х | | Х | |
| 6.2 | Quality Obljectives and Plans | Х | X | | | X | X | X | X | Х | Х | X | X | X | Х | X | X | X | | X | |
| 6.3 | Planning of Changes | Х | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | |
| 7.1.1 | Provision of Resources | Х | | | | X | | | | | | | | | | | | | | | |
| 7.1.2 | People | | | | | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | X | 0 | 0 | 0 | | | 0 | |
| 7.1.3 | Infrastructure | | | | | | | | | | | X | | | X | | | | | | |
| 7.1.4 | Environment for the Operation of Processes | | | | | | | | | | | | | Х | Х | | | | | | |
| 7.1.5 | Monitoring and Measuring Resources | NA | 1 | | | | | | | | | | | | | | | | | | |
| 7.1.6 | Organizational Knowledge | | X | X | | X | 0 | 0 | 0 | 0 | 0 | X | 0 | Х | 0 | 0 | 0 | X | X | 0 | |
| 7.2 | Competence | | | | | | 1 | | | | | | i - | Х | | Ī | | | | | |
| 7.3 | Awareness | | X | 1 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | |
| 7.4 | Communication | Х | X | 1 | | X | 0 | 0 | 0 | 0 | 0 | 0 | 0 | X | 0 | 0 | 0 | X | X | 0 | |
| 7.5 | Control Documented Information | | | Х | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Х | 0 | |



INTERNAL QMS AUDIT MATRIX QMS-05F2 Rev.0

| ISO 9001 | Requirements | | | | | Planning | | Core | | | | | SU | PPORT | 問題 | | | | | | |
|--------------|--|-----|-------|-------|-------|----------|------|------|------|--------|---------|----------|-----|-------|-----|--------|--------|-----|-----|-------|---------|
| 2015 | Departments | TOP | OMS | DCC | IQA | SMO | AMD | PMD | BRDD | 290 | TRD | MIS | PAD | PSD | GSD | ProcMD | PropMD | CRD | SOO | IAO | REMARKS |
| 8.1 | Operational Planning and Control | | | | | Х | × | × | Х | × | Х | Х | x | × | × | х | Х | Х | | X | |
| 8.2.1 | Customer Communication | | | | | | Х | Х | Х | | | | | | | | | | | | |
| 8.2.2/ 8.2.3 | Determination/ Review of Requirements Related to the Products and Services | | | | | | Х | × | Х | Х | | | | | | | | | | | |
| 8.3 | Design and Development | NA | 10.72 | | C Vi. | 55000 | 9.75 | | 1 | SW ASS | | VA | | | | | | | | 2011 | |
| 8.4 | Control of externally provided process, products, and services | | | | | X | | | | | | | | х | Х | Х | | | | | |
| 8.5.1 | Control of Production and Services Provision | | | | | х | Х | Х | X | Х | Х | Х | Х | Х | Х | Х | Х | Х | | Х | |
| 8.5.2 | Identification and Traceability | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | X | Χ | 0 | | 0 | |
| 8.5.3 | Property of Customers and Providers | | | | | | | | | | | | | | 0 | | | | | | |
| 8.5.4 | Preservation of Product | | | | | | | | | | | | | | | Х | Х | | | | |
| 8.5.5 | Post Delivery Activities | NA | 30.75 | 3-153 | | | | SA F | 1 | | Z. 2 19 | Burrier. | | | | | X | | | -49.4 | |
| 8.5.6 | Control of Changes | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | |
| 8.6 | Release of products and services | | | | | Х | X | X | × | Х | × | × | X | × | Х | X | Х | Х | | Х | |
| 8.7 | Control of Non-conforming Output | | | | | × | Х | Х | × | Х | × | Х | × | × | Х | х | Х | Х | | х | |
| 9.1 | Monitoring, Measurement, Analysis, and Evaluation | | Х | | Х | X | Х | Х | х | Х | Х | Х | Х | Х | Х | Х | Х | Х | | Х | |
| 9.1.2 | Customer Satisfaction | | X | | | X | | | | | | | | | | | | | | | |
| 9.2 | Internal Audit | | | | X | | | | | | | | | | | | | | | | |
| 9.3 | Management Review | Х | X | | | | | | | | | | | | | | | | | | |
| 10.2 | Corrective Action | | X | | Х | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | |
| 10.3 | Continual Improvement | | X | | Х | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | |
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Legend:

- X Main Auditable Items; process owner
- O Minor auditable items; familiarity or contribution only



Energy Center, Bonifacio Global City, Taguig City

INTERNAL AUDIT ITINERARY

| | | QMS-05F3 | Rev.0 | | |
|--------------------------------------|----------|-----------------------------------|-----------------|-------------------|--------------|
| Site | | | | | |
| Lead Audit | or: | | | | 4 |
| Auditors: | | | | | |
| Audit Scop | e | | | | |
| Audit Obje | ctives: | | | | |
| Reference Standards/ Criteria: | | | | O | |
| Time | De | epartment/ Processes/ Function | Audit Ele | ement/ Activity | Auditor |
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| Prepared | | | Approved by: | | |
| by | (Signatu | ure over printed name) | | (Signature over p | rinted name) |
| | | ernal QMS/IMS Auditor | | SVP for Energy | / Business |



Energy Center, Bonifacio Global City, Taguig City

INTERNAL QMS AUDIT CHECKLIST

QMS-05F4 Rev.0

| Process/ Fund | ction/ Area | Date: | Auditor(s) | |
|-----------------|--------------|-----------------------|------------|---------|
| CLAUSE/ ITEM | REQUIREMENTS | Y/NC/ P/ Obs NA | | REMARKS |
| | | | | |
| | | | | |
| | | | | |

Auditors Signature:

Y – Yes, conforming; N – No or NC, nonconforming; P – partial/ Observation; N/A – not applicable at the time of the audit



Fort Bonifacio, Taguig City

AUDIT REPORT

QMS-05F5 Rev. 0

| Auditor(s): | Date of Audit: |
|------------------------------------|--------------------------------|
| | Number of CARs: |
| | (attach copy of CARs, if any): |
| Functions/ Department Audited | |
| Areas not covered during the audit | |
| General Observations | |
| Major Problem Areas | |
| Findings per Area | |
| Requirement/Clause | Observations |
| | |
| | |
| | |
| Audit Conclusion | |
| | |
| | Signature: |

Team Leader



Energy Center, Bonifacio Global City, Taguig City

MONITORING OF AUDIT OBSERVATIONS

QMS-05F6 Rev.0

| ITEM NO | ISSUED FUNCTION/ DEPARTMENT | OBSERVATION | ACTION TAKEN | FOLLOW-UP REMARKS |
|---------|--------------------------------|-------------|--------------|----------------------|
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| Prepared by: | Conforme | Noted by: |
|---------------|----------|-----------|
| i icpaica by. | Comonic | Noted by. |

(Signature over Printed Name) (Signature over Printed Name)

Auditor Auditee Lead Internal Auditor



PHILIPPINE NATIONAL OIL COMPANY
Energy Center, Bonifacio Global City, Taguig City

INTERNAL AUDITORS TRAINING MATRIX

QMS-05F7 Rev.0

| | | | | | Q1V13-031 | | Trainin | g Requirements | |
|-----------------|-------------------------------------|--------------------------|---------------------------|---------------------------|-------------------------|--|---------------------------|-----------------|---------|
| Name of Auditor | Designation in the Audit Team | ISO 9001 Appreciation | ISO 14001 Appreciation | ISO 45001 Appreciation | Documentation Course | Environmental Legal Requirements | OHS Legal requirements | Auditing Course | Remarks |
| 1. | Chair | | | | | | | | |
| 2. | Vice Chair | - | | | | | | | |
| 3. | Auditor | | | | | | | | |
| 4. | Auditor | | | | | | | | |
| 5. | Auditor | | | | | | | | |
| 6. | Auditor | | | | | | | | |
| 7. | Auditor | | | | | | | | |
| 8. | Auditor | | | | | | | | |
| 9. | Auditor | | | | | | | | |
| 10. | Auditor | | | | | | | | |
| 11. | Auditor | | | | | | | | |
| 12. | Auditor | | | | | | | | |
| 13. | Auditor | | | | | | | | |
| 14. | Auditor | | | | | | | | |
| 15. | | | | | | | | | |
| 16. | | | | | | | | | |

| Prepared by | | Approved by: | |
|-------------|-------------------------------|--------------|-------------------------------|
| | (Signature over printed name) | | (Signature over printed name) |
| | Internal OMS/IMS Audit Chair | | Department Manager |



Fort Bonifacio, Taguig City

IQA SUMMARY OF FINDINGS QMS-05F8

| Process | | Findings | | Standard | Department | Audit | CAR / RCA / | Auditees' Reply / |
|---------|----------|----------|-----------------|-------------|------------|-------|-------------|-------------------|
| | Minor NC | Major NC | OFIs / Findings | Requirement | | Team | Action Plan | Commitment |
| | | | | | | | | |
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Energy Center, Bonifacio Global City, Taguig City

MONITORING OF AUDIT OBSERVATIONS

QMS-05F6 Rev.0

| ITEM NO | ISSUED FUNCTION/ DEPARTMENT | OBSERVATION | ACTION TAKEN | FOLLOW-UP REMARKS |
|---------|--------------------------------|-------------|--------------|----------------------|
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| Prepare | d by: | Conforme | Noted by: | |

| Auditor | Auditee | Lead Internal Auditor |
|-------------------------------|-------------------------------|-------------------------------|
| (Signature over Printed Name) | (Signature over Printed Name) | (Signature over Printed Name) |
| Trepared by. | Comornic | Noted by. |