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7.1 RESOURCES

PNOC as a government-owned and controlled corporation (GOCC) is mandated to submit its budget to the Legislative body (House of Representatives and Senate) through the Department of Budget and Management (DBM). It is directed to strictly observe government budgeting guidelines, rules, regulations, and procedures.

PNOC submits its corporate operating budget covering budget for Personnel Services (PS), Maintenance and Other Operating Expenses (MOOE), and Capital Expenditures (CAPEX). The budgetary levels are determined based on its Work Plans and Performance Evaluation System (PES) with GCG.

PNOC allocates resources to the QMS Committee needed for the establishment, implementation, maintenance, and continual improvement of the quality management system. In the determination of the needed resource allocation, PNOC considers the capabilities and constraints of existing internal resources and what needs to be obtained from external providers. The budget is determined and provided for people, infrastructure and work environment, and organizational knowledge.

7.2 FINANCE


Optimizes corporate financial viability through sound investment decisions and fund sourcing; ensures liquidity and maintains good financial reputation by prudent management of receivables and disbursements; summarizes, analyzes, and reports financial information and transactions; implements adequate internal control procedures to safeguard company assets, processes, services, and payments of financial obligations.

7.2.1 TREASURY

The Treasury Department manages the company's funds efficiently to optimize corporate financial viability and allocate funds to finance the company's funding requirements at terms most advantageous to the company.

7.2.2 ACCOUNTING

Accounting Department maintains accurate and up-to-date financial records, prepares financial statements, renders financial analyses, implements adequate internal control procedures to effectively safeguard company assets, processes

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payments of financial obligations, and provides other accounting and financial services.

7.3 ADMINISTRATIVE SERVICES

Ensures that PNOC has a dedicated and competent workforce capable of enabling PNOC to fulfill its mandate and achieve its targets; develops and implements human resource (HR) policies, systems, processes, and programs.

7.3.1 PERSONNEL SERVICES

PNOC as a GOCC with original charter is covered by the civil service law and rules in terms of personnel actions and other human resource policies, rules and regulations. It is mandated to strictly observe pertinent rules and regulations related to human resources in the public sector.


As a GOCC it has an approved table of organization, and an approved plantilla of positions with the corresponding salary grade and equivalent compensation, as mandated under RA No.6758 otherwise known as the "Salary Standardization Law".

Personnel Services Division, under the Administrative Services Department, manages the Recruitment/Selection and Promotion and all other personnel actions are governed by Competency-Based Human Resource System (CBHRS) and covered by appropriate civil service rules and regulations. Details of the processes are discussed under the Personnel Services Manual.

Personnel competence shall be enhanced through the appropriate training and other development interventions. These are determined through the accomplishment of the Individual Development Plan (IDP) by both the supervisors and staff. Training needs are identified based on the job requirements, previous performance, and other developmental needs. The detailed process of the competence and training requirement are shown in the Personnel Services Division procedures.

PNOC shall continuously conduct QMS awareness training for its employees, suppliers, service providers, and other interested parties. Records of these activities shall be maintained by the training section under the Personnel Services Division.

Organizational knowledge shall be provided and updated for personnel who need these in their jobs through personnel development, availability of documented information to the authorized users, and archiving of documents and records of the

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organization's operations and learning experiences. These shall be protected for the company through suitable means, such as but are not limited to:

- PNOC Code of Ethics, Governance Manual, Employee handbook
- Personnel Development Policy Guidelines
- Employee Separation Procedure
- Document and Records Procedure

7.4 INFRASTRUCTURE, MATERIALS AND WORK ENVIRONMENT

PNOC shall determine, provide and maintain the infrastructure and environment necessary for the operation of its processes and to achieve conformity of services. These are managed by the following:

- 7.4.1 General Services – handles the provision and maintenance of equipment at the Head Office, including shuttles for personnel transportation, communication equipment, building, offices, and grounds, power supply, and plumbing.
- 7.4.2 Procurement – manages the procurement of equipment, materials, and services according to RA 9184 for PNOC's offices and business sites.
- 7.4.3 Property Management – manages material resources of PNOC by proper receiving, monitoring, and inventory
- 7.4.4 Management Information System (MIS) – manages the maintenance of MIS hardware and software, internet facilities, and the security of information

7.5 QMS SUPPORT PROCESSES

7.5.1 COMMUNICATION

7.5.1.1 Internal Communication

PNOC shall ensure that appropriate internal communication processes are established from management to personnel and personnel to the management.

Policies, instructions, and QMS relevant information shall be disseminated in the form of memoranda, QMS procedure, or verbal instructions from the officers, supervisor, staff, and even higher management. Communication channels such as telephone, e-mail, bulletin boards, and group meetings shall be optimized. MANCOM shall have regular meetings, where all concerns including the QMS shall be discussed at least once every quarter or as needed.



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Valid concerns or suggestions for the improvement of the QMS shall be recorded and where appropriate, shall be integrated into the QMS procedures and instructions.

7.5.1.2 Customer Communication


As provided in the context diagram, PNOC customers are its employees, oversight bodies/agencies, pertinent regulatory bodies, outsourced service providers. PNOC shall ensure that appropriate communication channels are available in order to maintain a mutually beneficial relationship with them. Some of these channels are:

- Asset Management Department is in charge of handling inquiries from prospective locators and lessees, reviews the requirements, and processes the contracts.
- Operation Frontliners – the Park’s Department Manager, ESB’s Department Manager, Shift Engineers, and HSSE officers are trained and authorized to handle communication with customers at the operation level.
- PNOC website – contains information about PNOC Management, information about the subsidiaries, plans and programs, projects, and other detailed information.
- QMS Committee/ PNOC QMS Team – administering the Customer Satisfaction Survey (internal and corporate level)

7.5.1.3 External Communication

Receiving external communications as a matter of company policy shall be handled directly by concerned departments. All Official outbound communications shall be signed by the President and CEO and the three (3) Senior Vice Presidents. Communications addressed to the Board, President and CEO are to be signed by President and CEO, while other communications are signed by the three (3) Senior Vice Presidents. In all instances, the three (3) SVPs shall furnish the signed document/s to the Office of the President and CEO.

Corporate Relations employs effective and creative communication strategies and methods to build and maintain external and internal stakeholder support for PNOC's projects, plans, and programs. They shall formulate and implement

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PNOC's Public Relations Program and Communications Plan, including the communication protocol within the Crisis Management Plan.

Other external communication such as requests for information, interview, or speech, complaints or inquiries relative to PNOC's operations shall be reviewed, validated, answered, and acted upon on a case-to-case basis by the President and CEO.

7.5.2 QMS DOCUMENTATION

The documentation structure of the QMS shall be composed of three (3) levels, defined as follows:

Level 1 – QMS Policy Manual

This shall contain PNOC's policy statements in relation to the requirements of ISO 9001:2015. It shall include a description of the QMS scope, as well as the justification for the clause(s) of the ISO 9001 standard which are not applicable to PNOC QMS.

A brief description of the QMS processes and their interaction shall be included in the manual. The manual shall also provide referencing to specific procedures and/ or other documentation that relate to the effective implementation and maintenance of the management system.


Level 2 – PNOC System Procedures and Operating Procedures

System Procedures are usually broad and generic, intended to address the management system requirement of the ISO 9001:2015, and as applicable, ISO 14001:2015 and ISO 45001:2018. Operating procedures are authored by respective departments and units. They contain procedures specific to the processes in each department/division/ section. These shall consist of a description of activities and flowcharts. Specific responsibilities and authorities shall be defined. When necessary, reference to procedures within or outside of the department/division/section may be made.

Level 3 – Support Documents

These are documents of either internal or external origin used to support the implementation and maintenance of the QMS. These include, but are not limited to, the following:

- **Attachments** – these are documents attached to manuals or procedures to contain additional guidance or information. These may include drawings,

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maps, tables, sample forms and templates, and others that may be deemed necessary.

- **Forms** - These are Pro-forma documents referenced in the procedures or instructions where data or information generated from the implementation and maintenance of the IMS shall be recorded.
- **Records** - These are documents that are retained to provide evidence of compliance of the company to the requirements of the above documentation. These include filled up forms, logbooks and checklists, and reports. Permits, licenses, certificates, and obsolete documents kept as references also serve as records.
- **Laws and Regulations** - These are copies of legislations, regulations, and other requirements applicable to PNOC QMS.
- **Other reference materials** – These may include existing PNOC documents outside of the QMS, reference books, equipment manuals, national and international standards, and others.

7.5.3 CONTROL OF DOCUMENTS

PNOC shall establish and maintain a documented procedure for controlling its QMS documents, both internal and external origin. A document controller shall be designated at the Head Office, the Industrial Park, and the ESB to administer the document control procedure. The procedure shall include provisions such that:

- 7.5.4 Documents are approved for adequacy prior to issue;
- 7.5.5 Documents are reviewed, and where necessary, revised and re-approved;
- 7.5.6 The nature of revision in the document is clearly identified;
- 7.5.7 Current versions of relevant documents are available at points of use;
- 7.5.8 Documents remain legible and readily identifiable;
- 7.5.9 Obsolete documents, which are retained for any purpose, are prevented from unintended use through proper marking;

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7.5.10 CONTROL OF RECORDS

PNOC shall establish and maintain a procedure for the identification, maintenance, storage and retrieval, protection from damage and/ or loss, and disposition after the defined retention period of QMS records.

Adequate records and other documented information shall be maintained to demonstrate conformance to the requirements of ISO 9001:2015, and the needs of the company's QMS. QMS records include but are not limited to records of planning activities, training, company operations, monitoring and measurement activities, results of audits, and minutes of management reviews.

Each department shall designate a staff responsible for the central filing and archiving of records. A master list of records shall be prepared for immediate reference on the implementation of the records control system. An RDS (Records Disposal Schedule) is maintained by each department.

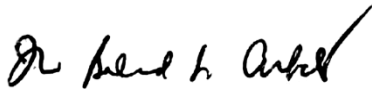


By the defined archiving period, records will be compiled and turnover to the Records Office for archiving or disposal, as defined in the RDS.

Record retention and disposal shall comply with the requirements of the Republic Act No. 9470 of 2007, "An Act to strengthen the system and administration of Archival records, establishing for the purpose the National Archives of the Philippines and for other purposes", and its Implementing Rules and Regulations.



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0	-	New version of PNOC QMS; to include PNOC Energy Supply Base and PNOC Industrial Park.
1	Page 4 Page 8 All	Section 7.5.1.1 revised "Various departments shall also have monthly staff meetings where all concerns including the QMS shall be discussed." to "MANCOM shall have regular meetings, where all concerns including the QMS shall be discussed at least once every quarter or as needed". Change of signatory Change of effectivity date

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