

## **Audit Committee**

The Manual requires that the Audit Committee be composed of at least three (3) members of The Board of Directors, one of whom must be an independent director. The Independent Director member shall also serve as the Chairman of the Board. Each member is required to be financially literate, have an adequate understanding of the Company's financial management system and environment. At least one member of the Committee is required to have accounting or related financial management expertise or relevant business experience as determined by the Board.

The Audit Committee's duties and responsibilities include:

- Overseeing the Company's financial controls and reporting processes on behalf of the Board and reporting the results of its activities to the Board;
- Performing oversight financial management functions, with the Risk Committee, specifically in the areas of managing credit, market, liquidity, operational, legal, and other risks of the Company;
- Performing oversight function over the Company's internal and external auditors to ensure that they act independently from each other and that they are given adequate access to all pertinent records of the Company;
- Appointing and overseeing the work of the independent auditor/s engaged by the Company for the purpose of preparing or issuing an audit report or performing other audit review or attesting services for the Company;
- Pre-approving all audit plans, scope and frequency before the conduct of the external and internal audit;
- Establishing policies and procedures for the engagement of the independent external auditors to provide permissible non-audit services;
- Reviewing of financial reports and their compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements;
- Organizing an internal audit department;
- Establishing procedures for receipt, retention and treatment of complaints regarding accounting, internal accounting controls, and auditing matters, including procedures accounting and auditing matters; and
- Reviewing and pre-approving related-party transactions.

At present, the Company has an Audit Committee composed of five (5) members, three of whom is an independent director. The independent director also serves as the Chairperson of the Committee.

**Chairman:**        **Ms. Ma. Theresa G. Santos** - Independent Director

**Members:**        **Mr. Ernesto R. Alberto**        - Independent Director  
                         **Mr. Bede Lovell S. Gomez**       - Independent Director  
                         **Mr. Nicasio T. Perez**            - Executive Director  
                         **Mr. Jefferson Sy**                 - Non-Executive Director