



## Report of the Audit Committee for the Year Ended December 31, 2020

### To the Board of Directors:

The Audit Committee represents and assists the Board of Directors in fulfilling its oversight responsibilities by reviewing the:

- Reasonableness of the Company's financial statements, efficiency of the financial reporting process, and soundness of internal control environment;
- Objectivity, independence, and effectiveness of internal audit functions and processes;
- Qualifications, independence, and fees of the Company's external auditors with regard to the annual review of the Company's financial statements; and
- Compliance of the Company with legal and regulatory requirements.

The roles and responsibilities of the Audit Committee are embodied in an Audit Committee Charter. In compliance with the said Charter, the Audit Committee confirms that:

- The majority of the Audit Committee members are independent directors, including the Chairman;
- Quarterly meetings were held and attended by the Chairman and members of the Committee;
- The Committee reviewed and approved the internal audit scope, manpower resources, and competencies necessary to carry out the audit plan;
- The Committee reviewed the reports of the internal auditors and discussed the necessary corrective actions with concerned management;
- The Committee reviewed the Company's internal control environment, through the External Auditor's Management Letter and Internal Audit's reports on completed audit projects, and found it adequate;
- The Committee reviewed the audited annual financial statements of the Company and its Subsidiaries and discussed it with management, internal auditors, and external auditors taking into consideration that:
  - Management is responsible for the Company's financial statements and the related statements of financial condition and results of operations, and;
  - SGV & Co., the external auditor, is responsible for expressing an opinion on the conformity of the Company's audited financial statements with the Philippine Financial Reporting Standards and International Financial Reporting Standards, as appropriate.

Based on the foregoing and the related discussions undertaken, and subject to the limitations of our roles and responsibilities, the Audit Committee presents this Report to the Board of Directors.

  
Mr. ANTONIO JOSE PERIQUET  
Chairman

  
Mr. SALVADOR TIRONA  
Member

  
Mr. EMMANUEL DE DIOS  
Member