

## **COMMITTEE REPORT FOR THE YEAR ENDED DEC. 31, 2008**

### **Audit and Governance Committee**

In 2008, the AGC reviewed with management and the current external auditor (SGV & Co.) the 2007 annual financial statements and 2008 quarterly financial statements (for the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> quarters) and endorsed their release to regulatory bodies and stockholders. It reviewed with management and the Commission on Audit (prior external auditor) the results of the terminal audit for the 2007 financial statements (covering January-June 2007) and provided oversight in the coordination work and transition from COA to SGV & Co.

The AGC reviewed and endorsed to the Board for approval the updated Audit and Governance Committee Charter and Internal Audit Charter. It approved the amendments to the Corporate Governance Manual to align it with regulatory requirements, corporate policies and best practices. It also approved the evaluation system to measure compliance with provisions of the Corporate Governance Manual. The AGC likewise reviewed and discussed the recommendations regarding the Corporate Governance Scorecard project.