



## **ACTIVITIES OF DIFFERENT BOARD COMMITTEES\**

**A. EXECUTIVE COMMITTEE** –The Executive Committee, in accordance with the authority granted by the Board, or during the absence of the Board, acts by a vote of at least two-thirds (2/3) of its members on such specific matters within the competence of the Board as may from time to time be delegated to it in accordance with the GOCC's Charter or By-Laws, except with respect to.

- (a) Filing vacancies on the Board or in the Executive Committee;
- (b) Amendment or repeal of By-Laws or the adoption of new By-Laws;
- (c) Amendment or repeal of any resolution of the Board which by its express terms cannot be amended or subject to repeal;
- (d) Distribution of cash dividends; and
- (e) Exercise of powers delegated by the Board exclusively to other committees.

The Committee is composed of Acting Chairman Esquivel as Chairman and Vice-Chairman and Administrator Esquivel and GCC Creencia as members.

**B. AUDIT & RISK MANAGEMENT** – The Audit Committee consists of three (3) Directors whose chairman has audit, accounting, finance and investment background. The committee is composed of Trustee B. Yambao as Chairman and Trustees E. Caparas and Ma. Cecilia G. Soriano as members. The committee is responsible for the following:

- (a) Overseeing, monitoring and evaluating the adequacy and effectiveness of the GOCC's internal control system, engage and provide oversight of the GOCC's internal and external auditors, and coordinate with the Commission on Audit (COA);
- (b) Reviewing and approving audit scope and frequency, the annual internal audit plan, quarterly, semi-annual and annual financial statements before submission to the Board, focusing on changes in accounting policies and practices, major judgemental areas, significant adjustments resulting from the audit, going concern assumptions, compliance with accounting standards and compliance with tax, legal, regulatory and COA requirements;
- (c) Receiving and reviewing reports of internal and external auditors and regulatory agencies, and ensuring that Management is taking appropriate corrective actions, in a timely manner in addressing control and compliance functions with regulatory agencies;
- (d) Ensuring that internal auditors have free and full access to all the GOCC's records, properties and personnel relevant to and required by its function and that the internal audit activity shall be free from interference in determining its scope, performing its work and communicating its results; and
- (e) Developing a transparent financial management system that will ensure the integrity of internal control activities throughout the GOCC through a procedures and policies handbook that will be used by the entire organization.
- (f) Performing oversight risk management functions specifically in the areas of managing credit, market, liquidity, operational, legal, reputational and other risks of the GOCC, and crisis management, which shall include receiving from Senior Management periodic information on risk exposures and risk management activities;

- (g) Developing the Risk Management Policy of the GOCC, ensuring compliance with the same and ensure that the risk management process and compliance are embedded throughout the operations of the GOCC, especially at the Board and Management level; and
- (h) Providing quarterly reporting and updating the Board on key risk management issues as well as ad hoc reporting and evaluation on investment proposals.

**C. GOVERNANCE COMMITTEE** – The Governance Committee assists the Board of Directors in fulfilling its corporate governance responsibilities. The Committee is composed of three (3) Members with Acting Chairman Esquivel as Chairman and Trustees Caparas and Yambao as members. The Committee is responsible for the following:

- (a) Overseeing the periodic performance evaluation of the Board and its committees and Management; and also conducting an annual self-evaluation of their performance;
- (b) Recommending to the Board assignment to Board Committees; and
- (c) Recommending the manner by which the Board's performance may be evaluated and proposing an objective performance criteria to be approved by the Board.

**D. CONCESSION MONITORING COMMITTEE** –The Concession Monitoring Committee consists of three (3) members of the Board with GCC Raoul C. Creencia as Chairman and Trustees Cecilia G. Soriano and Benjamin J. Yambao as members. The Committee is responsible for the following:

- (a) Monitor the activities of the two concessionaires, thru the Regulatory Office
- (b) Deliberate on and review matters endorsed by the Regulatory Office relative to the Concessionaires' performance of their obligations under the Concession Agreement.

**E. HUMAN RESOURCE COMMITTEE** – The HR Committee consists of three (3) members of the Board with Trustee Soriano as Chairperson and Trustees M. Caparas and Jose Ramon T. Villarín SJ. as members. The committee is responsible for the following;

- a) The committee involves personnel administration, including the design of a personnel program to cover job analysis, the recruitment, placement and training of employees, evaluation of work performance, transfer, promotion, demotion, separation of personnel, wage and salary administration, employee benefits and services, and grievance.