

Audit Committee
Terms of Reference



DEFINITIONS

1. For the purposes of these terms of reference (these Terms):

Board	means the Board of Directors
CEO	means the President and Chief Executive Officer
Company	means Singapore Life (Philippines), Inc.
Corporate Secretary	means the duly appointed Corporate Secretary of the Company
Director	means a member of the Board of Directors of the Company
Senior Management	means the President and Chief Executive Officer, the Chief Financial Officer, the Chief Operations Officer, any employee of the Company that reports directly to the President and CEO (except for the President and CEO's secretary or personal assistant) and any other employee of the Company whose fixed annual remuneration (excluding bonuses, allowances, options, performance-based incentives and awards, and benefits in kind) exceeds PhP5 million pesos.

CONSTITUTION

2. The Audit Committee (the "Audit Com") was established by resolution of the Board on 28 February 2020.

MEMBERSHIP

3. The members of the Audit Com shall be appointed by the Board from time to time from among the Directors and shall be composed of **at least three (3) non-executive Board members, of which 2 need to be independent, all of whom must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.**
4. The Chairman of the Audit Com shall be appointed by the Board and should be an independent director responsible for inculcating in the minds of the Board members the importance of management responsibilities in maintaining a sound system of internal control and the Board's oversight responsibilities. **The Chairman of the Audit Com should not be the chairman of the Board or of any other committees.**
5. Each member of the Audit Com shall disclose to the **Corporate Governance Committee** all matters that require disclosure under the Corporate Governance Manual including:
 - a. any personal financial interest (other than as a Shareholder) in any matter to be decided by the Audit Com; or
 - b. any potential conflict of interest arising from a cross-directorship.

6. Any such member shall abstain from voting on resolutions of the Audit Com in relation to which his/her interest exists and from participating in the discussions concerning such resolutions, and shall, if so required by the Board, resign from the Audit Com.

MEETINGS

7. The chairman of the Audit Com shall convene a meeting upon request by any member of the Audit Com or as often as necessary if there are matters for the Audit Com to approve or discuss.
8. An agenda and accompanying meeting papers should be sent in full to all members in a timely manner and at least two (2) days before the intended date of a meeting or such other period as agreed by its members.

AUTHORITY

9. The Audit Com is authorised by the Board to discharge its duties within these Terms. It is authorised to seek any information it requires from the Directors and/or Senior Management who are directed to cooperate with the Audit Com.
10. The Audit Com and each of its members shall have separate and independent access to the Senior Management as and when they consider necessary. The Senior Management is obliged to supply the Audit Com with adequate, complete and reliable information in a timely manner, in order to enable it to make informed decisions.
11. The Audit Com is authorised by the Board to obtain external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Audit Com shall be provided with sufficient resources to discharge its duties. The Audit Com should be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external consultant who advises the Audit Com.
12. The Audit Com may delegate to the President/CEO and/or any other person or committee its authority under these Terms from time to time as it considers appropriate.

DUTIES

13. The duties of the Audit Com shall include without limitation:
 - a. Provide oversight over the Senior Management's activities in managing credit, market, liquidity, operation, legal and compliance, and other risks of the Company;
 - b. Provide oversight of the Company's internal and external auditors;
 - c. Review and approve audit scope and frequency, and the annual internal audit plan;
 - d. Approve appointment of the external auditor, including any question of its resignation or dismissal, and the audit fees for the particular audit year;
 - e. Discuss with external auditor the nature and scope of its audit, and ensure coordination where more than one audit firm is involved;
 - f. Monitor and evaluate the adequacy and effectiveness of SLP's internal control system;
 - g. Receive and review reports of internal and external auditors and regulatory bodies, where applicable, and ensure that management is taking appropriate corrective actions, in a timely manner in addressing control and compliance functions with regulatory bodies;
 - h. Review the quarterly, half-year and annual financial statements before submission to the Board;
 - i. Responsible for coordinating, monitoring and facilitating compliance with existing SLP

- Compliance Policies, laws, rules and regulations;
- j. Evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the auditor and in relation to SLP's total expenditure on consultancy. The non-audit work should be disclosed in the annual report;
 - k. Establish and identify the reporting line of the Head of Internal Audit or other relevant person of SLP so that the reporting level allows the internal audit activity to fulfil its responsibilities. The Head of Internal Audit or other relevant person shall report directly to the Audit Committee functionally; and
 - l. Review and assess the adequacy and effectiveness of its Terms of Reference annually and request for Board approval for proposed changes.

REPORTING PROCEDURES

- 14. Minutes of meetings of the Audit Com shall record in sufficient detail the matters considered by the Audit Com and decisions reached, including any concerns raised or dissenting views expressed. Draft and final versions of minutes of such meetings should be sent to all members for their comment and records respectively, in both cases within a reasonable time after such meetings.
- 15. Without prejudice to the generality of the duties of the Audit Com set out in these Terms, the Audit Com shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on its ability to do so.

SECRETARY

- 16. Minutes of the Audit Com meetings shall be kept by the Corporate Secretary, and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Director.

GOVERNANCE AND DISCLOSURE

- 17. The Audit Com shall review policies and processes at least annually to ensure compliance with best practices in relation to governance and disclosure and where appropriate make recommendations to the Board in relation to such appropriate policies and practices.

ANNUAL EVALUATION

- 18. The Audit Com shall evaluate its own performance at least annually.