



## THE AUDIT COMMITTEE

SFA Semicon Philippines Corporation  
Clark Freeport Zone, Pampanga  
Philippines

## ANNUAL INTERNAL AUDIT REPORT

For 2018, the Internal Audit focused on its planning practice. Refinements to the Internal Audit engagement planning, examination and business process analysis have been started to further to strengthen Audit Committees' Charter.

Audit work is conducted on the basis of questionnaire, inquiry, observation, confirmation and verification of supporting documentation and identified processes. This includes an *on-going review and analysis* of the company's Human Resources' business processes and procedures in accordance of the approved risk-based internal audit plan and in conformance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

Initial steps have been taken and a strategy set to support compliance with the IA Charter considering available resources. The enhanced process leverages these concepts and helps to set a foundation for planning through increased transparency, improved methodology and greater flexibility.



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