



SAN MIGUEL FOOD AND BEVERAGE, INC.

CHARTER OF INTERNAL AUDIT

POLICY

It is the policy of San Miguel Food and Beverage, Inc., formerly San Miguel Pure Foods Company Inc. ("SMFB" or the "Company"), to maintain an Internal Auditing activity for SMFB and its food subsidiaries (the "San Miguel Foods Audit"), to provide independent and objective assurance and consulting services designed to add value and improve the operations of SMFB and its food subsidiaries (collectively, "San Miguel Foods").

ROLE

San Miguel Foods Audit shall assist the Company in accomplishing its goals and objectives by bringing a systematic and disciplined approach to evaluate and improve the adequacy and effectiveness of San Miguel Foods' risk management, control, and governance processes.

AUTHORITY

San Miguel Foods Audit, with strict accountability for confidentiality and safeguarding records and information, is authorized and granted full, free and unrestricted access to any and all of San Miguel Foods' records, physical properties, and personnel pertinent to carrying out any engagement. All employees are requested to assist San Miguel Foods Audit in fulfilling its roles and responsibilities. San Miguel Foods Audit will also have free and unrestricted access to the Board.

INDEPENDENCE AND OBJECTIVITY

San Miguel Foods Audit will remain free from interference on matters of audit selection, scope, procedures, frequency, timing or report content to permit maintenance of a necessary independent and objective mental attitude.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, they will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair the internal auditor's judgment.

Internal auditors will exhibit the highest level of professional objectivity in gathering, evaluating and communicating information about the activity or process being examined. Internal auditors will make a

balanced assessment of all the relevant circumstances and not be unduly influenced by their own interests or by others in forming judgments.

Internal auditors report to the San Miguel Foods Audit Head who will report functionally to the Audit Committee and administratively to the Company's Chief Operating Officer for Food.

The San Miguel Foods Audit Head will confirm to the Board, at least annually, the organizational independence of San Miguel Foods Audit.

RESPONSIBILITIES

The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organization's governance, risk management, and internal controls as well as the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives. This includes:

- Evaluating the reliability and integrity of information and the means used to identify, measure, classify, and report such information.
- Evaluating the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations, which could have a significant impact on the organization.
- Evaluating the means of safeguarding assets and, as appropriate, verifying the existence of such assets, including the effectiveness and efficiency with which resources are employed.
- Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals, and whether the operations or programs are being carried out as planned.
- Monitoring and evaluating the effectiveness of the organization's risk management and governance processes.
- Performing consulting and advisory services related to governance, risk management and control as appropriate for the organization.
- Reporting periodically on the internal audit activity's objectives, authority, responsibility, and performance relative to its plan.
- Reporting significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by the Board or management.
- Assisting in, or independently carrying out validation of suspected fraudulent activities within San Miguel Foods and notifying management and the Audit Committee of the results.
- Considering the scope of work of the external auditors, regulators, and/or internal company functions, as appropriate, for the purpose of providing optimal audit coverage at a reasonable overall cost.
- Maintaining professional audit staff with sufficient knowledge, skills, experience and professional certifications to meet the requirements of this Charter.
- Evaluating specific operations at the request of the Board or management, as appropriate.

STANDARDS OF PROFESSIONAL PRACTICE

San Miguel Foods Audit will govern itself by adherence to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (the "Standards"). The Institute of Internal

Auditors' Practice Advisories, Practice Guides, and Position Papers will also be adhered to as applicable to guide operations. In addition, San Miguel Foods Audit will adhere to SMFB's relevant policies and procedures and San Miguel Foods Audit's standard operating procedures manual, which are aligned with that of parent San Miguel Corporation.

INTERNAL AUDIT PLAN

At least annually, the San Miguel Foods Audit Head will submit to Senior Management and the Audit Committee, which Committee shall endorse to the Board, an internal audit plan for review and approval. The internal audit plan will consist of a work schedule as well as budget and resource requirements for the next year.

The internal audit plan will be developed based on a prioritization of the audit universe using a risk-based methodology, including inputs of Senior Management and the Board. The San Miguel Foods Audit Head will review and adjust the plan, as necessary, in response to changes in San Miguel Foods' businesses, risks, operations, programs, systems and controls. Any significant deviation from the approved audit plan will be communicated to Senior Management and the Audit Committee through periodic activity reports.

REPORTING AND MONITORING

A written report will be prepared and issued by the San Miguel Foods Audit Head following the conclusion of each internal audit engagement and will be distributed as appropriate. Significant internal audit results will also be communicated to the Audit Committee.

San Miguel Foods Audit will be responsible for appropriate follow-up on engagement findings and recommendations. All significant findings will remain in an open issues file until cleared.

The San Miguel Foods Audit Head will periodically report to Senior Management and the Audit Committee on the internal audit activity's purpose, authority and responsibility, as well as performance relative to its plan. Reporting will also include significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by Senior Management and/or the Board.

QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

San Miguel Foods Audit will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity. The program will include an evaluation of San Miguel Foods Audit's conformance with the Definition of Internal Auditing and the Standards, and an evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.

The San Miguel Foods Audit Head will communicate to Senior Management and the Audit Committee on San Miguel Foods Audit's quality assurance and improvement program, including results of ongoing internal assessments, and external assessments conducted at least every five years.

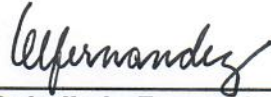
Approved this 16th day of March, 2017, and amended on the 6th day of November, 2019.



Cirilo P. Noel
Chairman of the Audit Committee



Ramon S. Ang
President and Chief Executive Officer



Ophelia L. Fernandez
San Miguel Foods Audit Head