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**SECURITIES AND EXCHANGE COMMISSION**

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Company Information

SEC Registration No.	PW00000277
Company Name	SAN MIGUEL CORP.
Industry Classification	
Company Type	Stock Corporation

Document Information

Document ID	103202017002125
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	March 16, 2017
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

P W - 2 7 7

S. E. C. Registration Number

S A N

M I G U E L

C O R P O R A T I O N

(Company's Full Name)

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M A N D A L U Y O N G C I T Y

M E T R O M A N I L A

P H I L I P P I N E S

(Business Address: No. Street City/Town/Province)

Atty. Mary Rose S. Tan

Contact Person

(632) 632-3000

Company Telephone Number

SEC FORM

1 2

Month

3 1

Day

1 7 - C

FORM TYPE

2nd Tuesday of June

Month

Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I. D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE (SRC) AND SRC RULE 17(b)(3) THEREUNDER

1. **March 16, 2017**
Date of Report (Date of earliest event reported)
2. SEC Identification No. **PW 00000277**
3. BIR Tax Identification No. **000-060-741-000**
4. **SAN MIGUEL CORPORATION**
Exact name of registrant as specified in its charter
5. **Philippines**
(Province, country or other jurisdiction of Incorporation)
6. (SEC Use Only)
Industry Classification Code
7. **No. 40 San Miguel Avenue, Mandaluyong City, Metro Manila**
(Address of principal office)
- 1550**
(Postal Code)
8. **(632) 632-3000**
(Registrant's telephone number, including area code)
9. **N/A**
(Former name or former address, if change since last report)
The Registrant has not changed its address since its last report to this Honorable Commission.
10. Securities registered pursuant to Sections 8 and 12 of SRC

Title of Each Class	Number of Outstanding Common and Preferred Shares as of February 28, 2017
Common Shares	2,380,377,209
Series "1" Preferred Shares	279,406,667
Series "2" Preferred Shares	
Subseries B	90,428,200
Subseries C	255,559,400
Subseries D	89,333,400
Subseries E	134,000,100
Subseries F	223,333,500
Subseries G	66,666,600
Subseries H	164,000,000
Subseries I	169,333,400
TOTAL	3,852,438,476

11. Indicate the item numbers reported herein: **Item 9**

We advise that, at the Regular Meeting of the Board of Directors of San Miguel Corporation (the "Corporation") held today, March 16, 2017, the Board of Directors, upon the recommendation of the Audit Committee, adopted and approved the Internal Audit Charter of the Corporation. We submit herewith a copy of the Internal Audit Charter of the Corporation.

[End]

Pursuant to the requirements of the Securities Regulation Code, the registrant duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SAN MIGUEL CORPORATION

By:


MARY ROSE S. TAN
Assistant Corporate Secretary

March 16, 2017



SAN MIGUEL CORPORATION

CHARTER OF INTERNAL AUDIT

POLICY

It is the policy of San Miguel Corporation (SMC or the "Company") to maintain an Internal Auditing activity (the "San Miguel Group Audit"), to provide independent and objective assurance and consulting services designed to add value and improve the operations of SMC and its Subsidiaries.

ROLE

San Miguel Group 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 SMC's risk management, control, and governance processes.

AUTHORITY

San Miguel Group 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 the Company's records, physical properties, and personnel pertinent to carrying out any engagement. All employees are requested to assist San Miguel Group Audit in fulfilling its roles and responsibilities. San Miguel Group Audit will also have free and unrestricted access to the Board.

INDEPENDENCE AND OBJECTIVITY

San Miguel Group 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 Chief Audit Executive (CAE), who will report functionally to the Audit Committee, and administratively to the Chief Operating Officer and the Chief Executive Officer.

The CAE will confirm to the Board, at least annually, the organizational independence of the internal audit activity.

RESPONSIBILITY

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 purpose, 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 the Company and notify the 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 and/or Management, as appropriate.

STANDARDS OF PROFESSIONAL PRACTICE

San Miguel Group 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 Group Audit will adhere to SMC's relevant policies and procedures and the internal audit activity's standard operating procedures manual.

INTERNAL AUDIT PLAN

At least annually, the Chief Audit Executive 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 input of Senior Management and the Board. The CAE will review and adjust the plan, as necessary, in response to changes in the Company's business, 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 CAE 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 Group 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 CAE 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 Group 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 the internal audit activity'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 CAE will communicate to Senior Management and the Audit Committee on the internal audit activity'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.


Eduardo M. Cojuangco, Jr.
Chairman and
Chief Executive Officer
Ramon S. Ang
Vice Chairman, President and
Chief Operating Officer
Margarito B. Teves
Chairman, Audit Committee
Independent Director
Ramon R. Bantigue
Chief Audit Executive