

BOARD COMMITTEE CHARTERS

AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

**GMA Network, Inc.
Audit Committee Charter
October 18, 2012**

The Audit Committee shall consist of at least three (3) directors, who shall preferably have accounting and finance backgrounds, at least one of whom shall be an independent director and another with audit experience. The chair of the Audit Committee shall be an independent director. Any vacancy in the Audit Committee shall be filled by the Board of Directors at its first meeting after the vacancy occurs.

The Committee shall be responsible to the Board of Directors, shall act independently of management and shall be provided with resources as may be necessary, including access to outside advisors, as that will enable it to fulfill its functions satisfactorily. It shall meet at least four (4) times a year.

Audit Committee Functions

- a. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations;
- b. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risks of the corporation. This function shall include regular receipt from Management of information on risk exposures and risk management activities;
- c. Perform oversight functions over the corporation's internal and external auditors. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
- d. Review the reports submitted by the internal and external auditors;

Company Financial Performance

- a. Review the quarterly, half-year and annual financial statements before their submission to the Board, as to completeness, clarity, consistency and accuracy of

disclosure of material information including on subsequent events and related party transactions, including the following:

- o Any change/s in accounting policies and practices
 - o Major judgmental areas, including reasonableness of estimates, assumptions and judgments used in the preparation of financial statements
 - o Significant adjustments resulting from the audit
 - o Going concern assumptions
 - o Compliance with financial reporting standards and regulations
 - o Compliance with tax, legal and regulatory requirements.
- b. Recognizing management's responsibility over the Company's financial statements, review and comment on management capability regarding financial reporting responsibilities. The Committee shall also review and approve the management representation letter before its submission to the external auditor.
- c. Review, monitor and evaluate the adequacy and effectiveness of the corporation's internal control system, including financial reporting control and information technology security.
- d. Review the status of contingent liabilities, including the status of litigation, claims, contingencies and other significant legal issues that may affect Company financial condition and performance.
- e. Review the financial recording and disclosure of unusual or complex transactions, including related party transactions.
- f. Coordinate, monitor and facilitate compliance with laws, rules and regulations. The committee shall report to the Board on critical compliance issues, certifying thereto as may be necessary;

Internal Audit

- a. Organize an internal audit department, and consider/recommend to the Board of Directors the engagement of third party independent auditors (i.e., computer auditor, forensic expert, etc.) and the terms and conditions of their engagement as the need arises;
- b. Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. He shall functionally report directly to the Audit Committee and the Chairman/CEO.

- c. Review and evaluate measures taken by management regarding internal control and fraud prevention measures.
- d. Review the annual internal audit plan to ensure its conformity with the objectives of the corporation. The plan shall include the audit scope, resources and budget necessary to implement it;
- e. The Audit Committee shall ensure that, in the performance of the work of the Internal Auditor, he shall be free from interference by outside parties.

External Audit

- a. Evaluate the performance of the Company's external auditors and recommend to the Board of Directors the appointment of the Company's external auditors taking into account independence, quality of work and compliance with auditing standards, professional staff qualifications and competence, professional fees, and other relevant criteria. The Committee shall follow generally accepted practice on the rotation of external auditors.
- b. Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- c. Discuss audit findings with the external auditor and company management, including alternative treatments, audit adjustments, independence, and other material issues affecting audit and financial reporting.. The Committee shall also evaluate and monitor management action on external auditors' observations and recommendations on policies, procedures and practices relative to accuracy of financial reporting, internal controls and other financial processes that may require further improvement.
- d. Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the corporation's annual report;

Performance Evaluation & Continuous Improvement

To ensure that the Committee continues to fulfill its responsibilities in accordance with global best practice and in compliance with SEC Memorandum Circular No. 4, Series of 2012 (Guidelines for the Assessment of the Performance of Audit Committees of Companies Listed on the Exchange), the Committee shall conduct an assessment of its performance at least annually. In this regard, the Committee shall:

1. As a body, evaluate its performance by filling up a self-assessment questionnaire that shall benchmark its practices against the expectations set out in this Charter.
2. Based on the results of the self-assessment, formulate and implement plans to improve its performance. These shall include the identification of relevant training needs intended to keep the members up-to-date with corporate governance best practices, accounting and auditing standards, as well as specific areas of concern (e.g. emerging risks).

The entire assessment process should be documented and should form part of the records of the company that may be examined by the Commission from time to time.

EXECUTIVE COMMITTEE CHARTER

The Executive Committee adopts the provisions of the Company's Revised Manual on Corporate Governance and is currently in the process of establishing its own rules of the procedure."

NOMINATION COMMITTEE CHARTER

The Nomination Committee adopts the provisions of the Company's Revised Manual on Corporate Governance and is currently in the process of establishing its own rules of procedure."

COMPENSATION AND REMUNERATION COMMITTEE CHARTER

The Compensation and Remuneration Committee adopts the provisions of the Company's Revised Manual on Corporate

Governance and is currently in the process of establishing its own rules of procedure."