Securities and Exchange Commission
PHILIPPINES

SEC MEMORANDUM CIRCULAR NO. 8
Series of 2018

TO	:	**ALL PUBLICLY-LISTED COMPANIES**
SUBJECT	:	**1) SHAREHOLDERS' APPROVAL ON ANY CHANGE/S IN THE COMPANY'S EXTERNAL AUDITOR** **2) AUDIT COMMITTEE COMPOSED ENTIRELY OF BOARD MEMBERS**
DATE	:	**20 April 2018**

Pursuant to Sections 2(d) and 3 of Administrative Order No. 38 (AO 38) of the Office of the President, the Commission in its *en banc* meeting on 19 April 2018 resolved to implement initiatives to improve the Philippines' ranking in the Protecting Minority Investors indicator of the Ease of Doing Business (EODB) Report, which include the adoption of the following rules:

1. All Publicly-listed companies (PLCs) shall seek shareholders' approval on any change/s in the company's external auditor; and

2. All PLCs shall have an Audit Committee that are composed only of board members.

This Memorandum Circular shall take effect immediately after its publication in two (2) newspapers of general circulation in the Philippines.

Pasay City, Philippines, 20 April 2018.

For the Commission:

TERESITA J. HERBOSA
Chairperson