

The PAGCOR Board of Directors, in its meeting held on January 16, 2013, approved the creation of the Audit and Risk Management Committee (ARMC) with the primary functions of overseeing, monitoring and evaluating the adequacy and effectiveness of PAGCOR's internal control system, as well as developing the risk management policy and ensuring compliance with the same. Moreover, the PAGCOR Board approved in the same meeting the appointment of the following members of said committee:

- Chairman: Dir. Jose S. Tanjuatco
- Members: President and COO Jorge V. Sarmiento
Dir. Eugene DG. Manalastas
Dir. Enrique M. Nuguid
Heads of the following departments:
- Accounting
 - Auxiliary Service
 - Corporate Communications
 - Corporate and Legal Services
 - Corporate Planning
 - Finance and Treasury
 - Gaming
 - Gaming, Licensing and Development
 - Internal Audit
 - General Services and Engineering
 - Security

Subsequent approval of matters concerning the ARMC by the PAGCOR Board was made during the Board meetings held on the following dates:

- December 2, 2014 – appointment of the department head of Compliance Monitoring and Enforcement as member
- March 24, 2015 – appointment of the department heads of Marketing Department and Slot Machine Department as members

During the ARMC meetings held in 2014, the following matters were discussed:

1. Committee updates, including forthcoming activities that ARMC needs to undertake and status of the Risk Management Policies and Procedures Manual (2nd edition);
2. Risk registers of departments/branches/SOGs and observations on the same;
3. Result of wide-ranging survey conducted by a global risk management consultant with respondents from 70 countries across the globe and participated by 28 industry sectors;
4. Updating of department manuals, to be reviewed by HRDD and CPD prior to its submission to the Board for approval. Subsequently, departments concerned to provide CPD a copy of the approved manual for safekeeping. Revision/updating of approved manuals may be done thereafter in an orderly manner.
5. Audit findings that substantially affect the operation and matters that COA will potentially include in their report; and,
6. Importance of disseminating policies and guidelines down the line in order that processes are standardized.