

## **Risk Committee**

The Manual requires that the Risk Committee be composed of at least three (3) members of the Board of Directors, one of whom must be an independent director. The Independent Director member shall also serve as the Chairman of the Audit Committee.

The Risk Management Committee's duties and responsibilities include:

- Overseeing the company's risk management function;
- Developing a formal risk management policy that guides the Company's risk management and compliance processes and procedures;
- Designing and undertaking its enterprise-wide risk management activities in accordance with internationally-recognized frameworks;
- Setting the tone and influencing the culture of risk management which includes determining the appropriate risk appetite (risk-taker or risk-averse) or level of exposure as a whole or on any relevant individual issue, as well as determining what types of risk are acceptable;
- Monitoring the management of significant risk to reduce the likelihood of unwelcome surprises; and
- Annually reviewing the Company's approaches to risk management and recommend to the Board changes or improvements to key elements of its processes and procedures.

At present, the Company has a Risk Committee composed of five (5) members, three of whom are independent directors. The independent director also serves as the Chairperson of the Committee. Each member is required to meet the financial-literacy and independence standard of the Securities and Exchange Commission (SEC).

**Chairman:**        **Mr. Ernesto R. Alberto**        - Independent Director

**Members:**        **Ms. Marie Therese G. Santos** - Independent Director

**Mr. Bede Lovell S. Gomez**        - Independent Director

**Mr. Eugene H. Lee Villanueva**    - Executive Director

**Mr. Derrick P. Villanueva**        - Executive Director