A. Purpose

The Risk Management Committee (the "Committee") is responsible for the oversight of the company's Enterprise-Wide Risk Management (EWRM) system to ensure its functionality and effectiveness. The Committee has the responsibility to assist the Board of Directors (Board) in ensuring that there is an effective risk management process in place to ensure that well-informed decisions are made after taking into consideration the risks involved.

B. Duties and Responsibilities

The Committee shall:

1. Develop a formal EWRM plan containing the following elements: (a) common language or register of risks, (b) well-defined risk management goals, objectives and oversight, (c) uniform processes of assessing risks and developing strategies to manage prioritized risks, (d) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures;
2. Oversee the implementation of the EWRM plan through the Management Risk Oversight Committee. The Risk Management Committee conducts regular discussions on the company's prioritized and residual risk exposures based on regular risk management reports and assesses how the concerned units or offices are addressing and managing these risks;
3. Review the appointment or replacement of the Chief Risk Officer (CRO) who shall functionally report to the Committee and ensure effectiveness of the Company's risk management framework. The CRO shall oversee risk management activities and shall report and discuss with the Committee about the Company's significant or major risk exposures, if any, and the steps taken by Management to manage and monitor such risks.
4. Evaluate the risk management plan to ensure its continued relevance, comprehensiveness, and effectiveness. The Committee revisits defined risk management strategies, looks for emerging or changing material exposures, and stays abreast of significant developments that seriously impact the likelihood of harm or loss;
5. Advise the Board on its risk appetite levels and risk tolerance limits;
6. Review at least annually the company's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the company;
7. Assess the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Priority areas of concern are

those risks that are the most likely to occur and to impact the performance and stability of the corporation and its stakeholders;

8. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management; and
9. Report to the Board on a regular basis, or as deemed necessary, the company's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary.

C. Members

1. The Members, including the Chairman thereof, shall be appointed by the Board annually.
2. The Committee shall compose of at least three (3) directors, majority of whom shall be Independent Directors. The Chairman shall, as much as practicable, be an Independent Director.
3. The Chairman of the Committee should not be the Chairman of the Board or of any other committee.
4. At least one member of the committee must have relevant thorough knowledge and experience on risk and risk management.
5. The Committee shall plan for succession for due consideration of the Nomination and Governance Committee. Such plan may consider among other things the continuity of the Committee's work and the orderly transfer of accumulated knowledge.
6. Any member of the Committee may be removed from office only by majority vote of the Board of Directors.

D. Meetings

1. The Committee shall hold meetings at such times and places as it considers appropriate provided that not less than two (2) meetings shall be held each year. These meetings shall be convened by the Chairman of the Committee as and when he considers appropriate or upon the request of majority of the Members. Such meetings shall be convened by not less than five (5) business days' notice in writing, specifying the place, date, time, and agenda.
2. The Committee shall appoint a Secretary who shall prepare minutes of meetings of the Committee and keep books and records of the Committee.

3. Notwithstanding that a meeting shall be called by shorter notice, it shall be deemed duly convened if so agreed by the majority of the Members present in the meeting at which there is a quorum.
4. Members may participate in a meeting of the Committee through teleconference or video conference by means of which all persons participating in the meeting can hear each other.
5. Resolutions at a Committee meeting at which there is a quorum shall be passed by a majority vote of the Members present at such meeting. In case of equality of votes, the Chairman of the Committee shall not have a casting vote.

E. Remuneration of Members

No fees or other remuneration shall be payable to the Members/Advisors of the Committee in respect of their services provided in connection with the Committee or in respect of their attendance at meetings of the Committee, save and except fees or remuneration authorized and approved by the Board and/or any fees or remuneration such Member/Advisor would otherwise be entitled to in his capacity as consultant, advisor or employee of the Company.

F. Resources and Authorities

The Committee shall have the resources and authorities appropriate to discharge its functions, duties and responsibilities including the authority to obtain advice from external consultants and functional specialists within the Company.

G. Minutes and Records

1. The Committee shall appoint a Secretary who shall prepare minutes of meetings of the Committee and keep books and records of the Committee.
2. The Committee shall cause records to be kept for the following:
    a. appointments and resignations of the Members of the Committee;
    b. all agenda and other documents sent to the Members of the Committee; and
    c. minutes of proceedings and meetings of the Committee.
3. Any such books and records shall be open for inspection by any Member of the Committee upon reasonable prior notice during usual office hours of the Company

H. Committee Reports and Performance Evaluation

1. The Committee shall report its activities to the Board on a regular basis and make such recommendations with respect thereto and other matters as the Committee may deem necessary or appropriate.

2. The Committee shall prepare and review with the Board of Directors an annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of its Charter, set the goals and objectives of the Committee for the ensuing year and include any recommendation to the Board of Directors on any improvements to the Charter.

I. Amendment or Alteration of this Charter

This Charter shall not be amended, altered, or varied unless such amendment, alteration or variation shall have been approved by resolution of the Board of Directors.