BOARD RISK OVERSIGHT COMMITTEE CHARTER
WATERFRONT PHILIPPINES, INCORPORATED

ARTICLE I. ESTABLISHMENT AND PURPOSE

Section 1. Establishment.

The Board Risk Oversight Committee (the "Committee" or "BROC") is hereby established by the Board of Directors (the "Board") to assist the Board in the performance of its risk oversight responsibilities and in ensuring the establishment, implementation, and effectiveness of the Corporation's Enterprise Risk Management ("ERM") system.

Section 2. Purpose.

The primary purpose of the Committee is to oversee the Corporation's Enterprise Risk Management system to ensure its continuing functionality and effectiveness.

The Committee shall assist the Board in ensuring that an effective and integrated risk management process is in place to identify, assess, monitor, and manage risks that may affect the Corporation's business activities, plans, opportunities, operations, and achievement of its corporate objectives.

The Committee shall adopt an integrated approach to risk management to enable the Board and Management to make well-informed decisions, taking into consideration significant risks and their potential impact on the Corporation.

ARTICLE II. COMPOSITION AND QUALIFICATIONS

Section 1. Composition.

The Committee shall be composed of at least three (3) members, the majority of whom shall be Independent Directors, including the Chairperson.

The members of the Committee shall be appointed or designated by the Board from among its members.

Section 2. Chairperson.

The Chairperson of the Committee shall be an Independent Director.

The Chairperson of the Committee shall not be the Chairperson of the Board or of any other Board committee. The Chairperson shall preside over Committee meetings, oversee the performance of its functions and responsibilities, and report the Committee's findings and recommendations to the Board.

Section 3. Qualifications of Members.

At least one (1) member of the Committee must have relevant thorough knowledge and experience in risk and risk management.

The members of the Committee shall possess the necessary knowledge, skills, and experience to effectively oversee the Corporation's risk management framework and activities.

Section 4. Term of Office.

The members of the Committee shall serve for such term as may be determined by the Board and shall continue to serve until their respective successors have been designated, unless earlier replaced or removed by the Board.

Any vacancy in the Committee shall be filled by the Board.

ARTICLE III. POWERS, FUNCTIONS AND RESPONSIBILITIES

Section 1. General Responsibilities.

The Committee shall assist the Board in ensuring that the Corporation maintains an effective and integrated Enterprise Risk Management system.

In the discharge of its responsibilities, the Committee shall have the following duties and functions:

A. Enterprise Risk Management Framework

a. Develop a formal Enterprise Risk Management Plan which should contain the following elements:

   - Common language or register of risks;

   - Well-defined risk management goals and objectives;

   - Oversight of the risk management process, including processes for assessing risks and developing strategies to manage prioritized risks;

   - Design and implementation of risk management strategies; and

- Continuing assessments to improve risk strategies, processes, and measures.

b. Oversee the implementation of the Enterprise Risk Management Plan through a Management Risk Oversight Committee (MROC). The Committee should conduct regular discussions on the Corporation's prioritized and residual risk exposures based on regular risk management reports and assess how the concerned units or offices are addressing and managing such risks.

c. Evaluate the Enterprise Risk Management Plan to ensure its continuing relevance, comprehensiveness, and effectiveness. The Committee should periodically revisit defined risk management strategies, identify emerging or changing material risk exposures, and remain abreast of significant developments that may affect the likelihood of harm or loss to the Corporation.

B. Risk Appetite and Risk Tolerance

a. Advise the Board on the Corporation's risk appetite levels and risk tolerance limits;

b. Review, at least annually, the Corporation's risk appetite levels and risk tolerance limits based on changes and developments in the business, regulatory framework, external economic and business environment, and whenever major events occur that may have significant impact on the Corporation.

C. Risk Assessment and Monitoring

a. Assess the probability of each identified risk becoming a reality and estimate its possible significant financial impact and likelihood of occurrence.The Committee shall give priority to areas of concern involving risks that are most likely to occur and to affect the performance and stability of the Corporation and its stakeholders.

b. Provide oversight over Management's activities in managing the Corporation's credit, market, liquidity, operational, legal, and other risk exposures.

This function shall include regularly receiving information from Management regarding the Corporation's risk exposures and risk management activities.

D. Reporting and Recommendations

a. Report to the Board, on a regular basis or as deemed necessary, the Corporation's material risk exposures, the actions taken to reduce such risks, and recommend further actions or plans, as necessary.

Section 2. Additional Responsibilities.

The Committee shall perform such other functions and responsibilities as may be delegated or assigned to it by the Board, provided that such functions are consistent with its purpose and applicable laws, rules, and regulations.

ARTICLE IV. AUTHORITY OF THE COMMITTEE

Section 1. Access to Information.

The Committee shall have access to the Corporation's books, records, documents, reports, and other information necessary for the proper performance of its functions.

The Committee may require Management, the Management Risk Oversight Committee, and concerned officers or employees to submit reports, explanations, and information relating to the Corporation's risk exposures and risk management activities.

Section 2. Coordination with Management.

The Committee shall coordinate with Management and the Management Risk Oversight Committee to ensure the effective implementation and monitoring of the Enterprise Risk Management Plan.

The Committee may require the concerned departments, business units, and offices to provide updates on identified risks, risk mitigation measures, and the effectiveness of risk management strategies.

Section 3. Recommendations to the Board.

The Committee shall make recommendations to the Board concerning the Corporation's risk management framework, risk appetite, risk tolerance limits, material risk exposures, and other matters requiring Board consideration or approval.

ARTICLE V. MEETINGS AND PROCEEDINGS

Section 1. Meetings.

The Committee shall meet regularly and whenever necessary to effectively discharge its functions and responsibilities.

Special meetings may be called by the Chairperson or upon the request of any Committee member whenever circumstances require immediate consideration of matters within the Committee's authority.

Section 2. Notice of Meetings.

Notice of each meeting shall be given to all Committee members within a reasonable period before the scheduled meeting, specifying the date, time, place, and matters to be considered.

Section 3. Quorum and Voting.

A majority of the members of the Committee shall constitute a quorum necessary to transact business.

All matters considered by the Committee shall be decided by the affirmative vote of a majority of the members present at a meeting where a quorum exists, unless a higher voting requirement is prescribed by applicable law, the By-Laws, or a Board resolution.

Section 4. Attendance and Participation.

The Committee may invite the President, Chief Executive Officer, relevant officers, heads of business units, members of the Management Risk Oversight Committee, employees, external advisers, or other relevant persons to attend its meetings and provide information or assistance whenever necessary.

Persons invited to attend meetings who are not members of the Committee shall not have voting rights.

ARTICLE VI. REPORTING AND DOCUMENTATION

Section 1. Reporting to the Board.

The Committee shall regularly report to the Board on its activities, findings, assessments, recommendations, and other significant matters arising from the performance of its functions.

The Committee shall promptly elevate to the Board material risk exposures and significant developments that may adversely affect the Corporation, together with its recommended mitigating measures and appropriate courses of action.

Section 2. Minutes and Records.

The Corporate Secretary or a designated Committee Secretary shall maintain the minutes of all Committee meetings and proceedings.

The minutes shall include the matters discussed, risk reports received, findings and recommendations made, resolutions adopted, and other relevant matters.

All minutes, risk assessment reports, and supporting documents shall be properly maintained as part of the official records of the Corporation.

ARTICLE VII. PERFORMANCE EVALUATION

Section 1. Annual Performance Evaluation.

The Committee shall conduct an annual review and evaluation of its performance with respect to the fulfilment of its functions and responsibilities as mandated under this Charter.

The evaluation shall include an assessment of the effectiveness of the Committee in overseeing the Corporation's Enterprise Risk Management system and the discharge of its risk oversight responsibilities.

The results of the evaluation, including identified areas for improvement and corresponding recommendations, shall be reported to the Board.

ARTICLE VIII. AMENDMENTS AND EFFECTIVITY

Section 1. Amendments.

This Charter may be amended, modified, or supplemented by the Board whenever necessary to ensure its continuing relevance and effectiveness and consistency with applicable laws, rules, regulations, and corporate governance requirements.

Section 2. Effectivity.

This Charter shall take effect upon its approval by the Board of Directors and shall remain in force unless amended, modified, or revoked by the Board.