

RISK MANAGEMENT COMMITTEE CHARTER

(Approved by the Audit and Risk Management Committee on August 19, 2022)

STATEMENT OF POLICY

Enterprise Risk Management is integral to an effective corporate governance process and the achievement of Arthaland Corporation's ("Company") value creation objective. It is the Company's policy to maintain a Risk Management Committee, which shall assist the Board of Directors ("Board") in providing oversight of the risk management framework of the Company and its subsidiaries.

ORGANIZATION

- A. The Committee shall comprise a minimum of three (3) directors, one of whom shall be an independent director.
- B. The Committee members should have sufficient technical risk management knowledge and sound industry practice.
- C. The Committee Chair should be an independent director and should not be the Chairman of the Board of Director.
- D. The members of the Committee shall be appointed annually by the Board of Directors. Members of the Committee may be reappointed.
- E. The Committee members shall be free from any relationship that would interfere with the exercise of their independent judgment as members of the Committee. The Committee members shall inform the Board of Directors of any circumstance which reasonably may be perceived to interfere with the exercise of their independent judgment as members of the Committee.

AUTHORITY

In discharging its oversight functions over matters within the scope of its responsibilities, the Risk Management Committee shall have explicit authority to:

- A. Investigate any matter brought to its attention, with full access to all records and personnel, using counsel or outside experts when necessary or appropriate.
- B. Have full access to and cooperation by management and full discretion to invite any director or officer to attend its meeting or give information on issues regarding risks and execution of their duties and responsibilities as the Committee deems appropriate.
- C. May delegate authority to sub-committees, as necessary or appropriate. The sub-committee will have the full power and authority of the Committee.
- D. May select, engage, obtain the advice of and terminate outside consultants, legal counsel and other advisers as it deems necessary to assist in carrying out its duties and responsibilities.
- E. Seek any pertinent information from the Company as necessary, which shall not be unreasonably withheld.

PRIMARY DUTIES

The Risk Management Committee provides oversight on the Company's risk management framework. It shall assist the Board to identify and monitor material and emerging risks and satisfy itself that the framework deals adequately with those risks.

FUNCTIONS AND RESPONSIBILITIES

- A. Set the tone and develop a culture of enterprise risk awareness by directing management to integrate risk management into the company's goals and structures.
- B. Oversee the Company's risk management framework including its governance structure, risk profile, risk management effectiveness.
 1. Approve and periodically review the Company's risk management framework and oversee management's establishment and implementation of the framework.
 2. Oversee and receive reports from management on the operations of the enterprise-wide risk management framework, including policies, procedures, controls, systems, and governance structure for the identification, measurement, assessment, control, mitigation, reporting and monitoring, of risks facing the Company.
 3. Advise the Board on the Company's risk appetite levels and risk tolerance limits.
 4. Review and recommend to the Board for approval the Company's statement of risk appetite and approve any changes to it, as appropriate.
- C. Oversee development, monitor execution and review effectiveness of risk strategy, framework, policies and initiatives to identify and address the Company's material risk.
- D. Monitor management's performance against the risk management framework, the effectiveness of the control environment and implementation of risk reduction measures.
- E. Report to the Board on a regular basis, or as deemed necessary, the Company's material exposures, the actions taken about the risk, and recommend further action or plans, as necessary.

MEETINGS AND PROCEDURES

- A. The Committee shall meet at least four (4) times a year, with authority to convene additional meetings, as circumstances require.
- B. All Committee members shall attend each meeting, in person or via tele- or video-conference.
- C. Other members of the Board of Directors may attend meetings of the Committee as observers.
- D. The Corporate Secretary shall ensure that the meeting schedule is carried out and shall develop the agenda based on the inputs of the Committee members, subject to the approval of the Chairman. Meeting agenda shall be prepared and provided in advance to members, along with appropriate reading materials. Minutes of meetings shall be prepared and maintained.
- E. The Committee may ask members of management or others to attend the meeting and provide pertinent information as necessary.

PERFOMANCE EVALUATION

The Committee shall assess its effectiveness on an annual basis or in such shorter intervals as may be set by the Board of Directors. The results of the assessment shall be validated by the Company's Compliance Officer.

ADMINISTRATIVE ARRANGEMENTS

The channel of communication between the Committee and the management and staff of the Company is through the President who shall be responsible for providing the necessary administrative services for the functioning of the Committee.

LIMITATION OF ROLE

While the Committee has the authority and responsibilities set forth in this Charter, management is responsible for designing, implementing, and maintaining an effective risk management framework.

Noted:

FERNAN VICTOR P. LUKBAN
*Chairman of the Risk
Management Committee*

RIVA KHRISTINE V. MAALA
Compliance Officer