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# Risk Oversight Committee

## Terms of Reference



## DEFINITIONS

1. For the purposes of these terms of reference (these Terms):

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|---------------------|--|
| Board               | means the Board of Directors   |
| CEO                 | means the President and Chief Executive Officer  |
| Company             | means Singlife Philippines Inc.  |
| Corporate Secretary | means the duly appointed Corporate Secretary of the Company  |
| Director            | means a member of the Board of Directors of the Company  |
| Senior Management   | means the President and Chief Executive Officer, the Chief Financial Officer, the Chief Operations Officer, any employee of the Company that reports directly to the President and CEO (except for the President and CEO's secretary or personal assistant) and any other employee of the Company whose fixed annual remuneration (excluding bonuses, allowances, options, performance-based incentives and awards, and benefits in kind) exceeds PhP5 million |

## CONSTITUTION

2. The Risk Oversight Committee (the "ROC") was established by resolution of the Board on 26 February 2020.

## MEMBERSHIP

3. The members of the ROC shall be appointed by the Board from time to time from among the Directors and shall be composed of at least three (3) members, majority of whom should be independent Directors including the chairman.
4. The chairman of the ROC should not be the Chairman of the Board or of any other committee and shall be appointed by the Board.
5. At least one member of the committee must have relevant thorough knowledge and experience on risk and risk management.
6. Each member of the ROC shall disclose to the Corporate Governance Committee all matters that require disclosure under the Corporate Governance Manual including:
  - a. any personal financial interest (other than as a Shareholder) in any matter to be decided by the ROC; or
  - b. any potential conflict of interest arising from a cross-directorship.

7. Any such member shall abstain from voting on resolutions of the ROC in relation to which his/her interest exists and from participating in the discussions concerning such resolutions, and shall, if so required by the Board, resign from the ROC.

## MEETINGS

8. The chairman of the ROC shall convene a meeting upon request by any member of the ROC or as often as necessary if there are matters for the ROC to approve or discuss.
9. A written notice and agenda with accompanying meeting papers should be sent to all members in a timely manner and at least two (2) days before the intended date of a meeting or such other period as agreed by its members.

## AUTHORITY

10. The ROC is authorised by the Board to discharge its duties under these Terms. It is authorised to seek any information it requires from the Directors and/or Senior Management who are directed to cooperate with the ROC.
11. The ROC and each of its members shall have separate and independent access to the Senior Management as and when they consider necessary. The Senior Management is obliged to supply the ROC with adequate, complete and reliable information in a timely manner, in order to enable it to make informed decisions.
12. The ROC is authorised by the Board to obtain external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The ROC shall be provided with sufficient resources to discharge its duties. The ROC should be exclusively responsible for establishing the selection criteria, selecting, appointing, and setting the terms of reference for any external consultant who shall be engaged by the ROC.
13. The ROC may delegate to the President/CEO and/or any other person or committee its authority under these Terms from time to time as it considers appropriate.

## DUTIES

14. The duties of the ROC shall include without limitation:
  - a. Approval of the enterprise risk management strategy which may include focus on the following elements: (a) common language or register of risks, (b) well-defined risk management goals, objectives and oversight, (c) uniform processes for assessing risks and developing strategies to manage risks that are identified and prioritized, (d) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures, and delegate approval of the enterprise risk management plan ("Plan") to a risk management committee which may be established by the Board;
  - b. Receive reports regarding the implementation of the Plan from the risk management committee and, as may be necessary, conduct discussions on the 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;
  - c. Evaluates the risk management strategy to ensure its continued relevance, comprehensiveness and effectiveness, and looks for emerging or changing material

- exposures, and stays abreast of significant developments that seriously impact the likelihood of harm or loss;
- d. Reviews the risk appetite levels and risk, and advises the Board on 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 major events that occur which are considered to have material effect on the Company;
  - e. Receive regular information on management of credit, market, liquidity, operational, legal and other risk exposures of the Company;
  - f. Reports to the Board on a regular basis, or as deemed necessary, on the Company's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary; and
  - g. Review and assess the adequacy and effectiveness of its Terms of Reference annually and request for Board approval for proposed changes.

## **REPORTING PROCEDURES**

15. Minutes of meetings of the ROC shall record in sufficient detail the matters considered by the ROC and decisions reached, including any concerns raised or dissenting views expressed. Draft and final versions of minutes of such meetings should be sent to all members for their comment and records respectively, in both cases within a reasonable time after such meetings. The ROC shall review and approve the final version of the minutes of a meeting at the immediately succeeding meeting of the ROC.
16. Without prejudice to the generality of the duties of the ROC set out in these Terms, the ROC shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on its ability to do so.

## **SECRETARY**

17. Minutes of the ROC meetings shall be prepared and kept by the Corporate Secretary, and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Director.

## **GOVERNANCE AND DISCLOSURE**

18. The ROC shall review policies and processes at least annually to ensure compliance with best practices in relation to governance and disclosure and, where appropriate, make recommendations to the Board in relation to such appropriate policies and practices.

## **ANNUAL EVALUATION**

19. The ROC shall evaluate its own performance at least annually.