

Board Risk Oversight Committee

The Board of Directors (“Board”) of Leisure and Resorts World Corporation (the “Corporation”) hereby adopts this **Charter** of the **Board Risk Oversight Committee** (the “Committee”).

Purpose of Risk Oversight Committee

The risk oversight committee is tasked to assist the Board of Directors of LRWC in its responsibility for management and oversight of matters relating to financial and other risk exposure faced by the Company, as well as the assessment, monitoring and control of such risks.

Membership

The Risk Oversight Committee shall be composed of at least three (3) directors, who shall preferably have varied backgrounds, one of whom shall be an independent director and another with risk management certification or experience. The chair of Risk Oversight Committee shall be an independent director. The Board shall appoint the members of the Committee at its annual organizational meeting and each member shall serve upon his election until the next organizational meeting of the Board, unless removed or replaced by the Board.

Duties and Responsibilities:

- a. Develops a formal enterprise risk management plan which contains 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;
- b. Oversees the implementation of the enterprise risk management plan through a Management Risk Oversight Committee. The BROCC 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;
- c. Evaluates the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The BROCC 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;
- d. Advises the Board on its risk appetite levels and risk tolerance limits;
- e. Reviews 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;
- f. Assesses the probability of each identified risk, as identified by the MROC, from 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;

- g. Provides 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;
- h. Reports to the Board on a quarterly basis, or as deemed necessary, the company's material risk exposures, key risk management issues, the actions taken to reduce the risks, and recommends further action or plans, as necessary;
- i. Perform oversight risk management functions including crisis management, in the areas of mitigating and managing credit risks, market risks, issues on liquidity, operational, reputational, legal and other risks. It shall include receiving and reviewing from senior management periodic information on risk exposures and risk management activities;
- j. Review to ensure that the risk management processes and compliance to those procedures are known and made available throughout the organization by reviewing and discussing with Management, the Corporation's risk management and risk assessment guidelines and policies on business risks;
- k. Endorse to the Board of Directors the appointment and, when and if appropriate, replacement of the Chief Risk Officer, who shall report to the BROCC through the MROC;
- l. Perform annually a self-assessment of the Board Risk Oversight Committee performance;
- m. Perform such other duties and functions and/or assume such responsibilities as may be delegated by the BOD.