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FOR : **MR. RICARDO C. MARQUEZ** DATE : November 9, 2022  
FROM : **OFFICE OF THE COMPLIANCE OFFICER**  
SUBJECT : **Board Risk Oversight Committee Members Self-Assessment Worksheet**

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The Board of Directors of the Company at its meeting held on August 5, 2020, approved the attached Self-Assessment Worksheet for the Board Risk Oversight Committee to accomplish on an annual basis. The purpose of this Self-Assessment Worksheet is to assess and improve the performance of the Board Risk Oversight Committee, in accordance with its Charter.


Kindly accomplish the attached worksheet on or before December 9, 2022 (Friday). Thereafter, either:

- (1) Scan or take a picture of each page of the accomplished worksheet and email the file/photos to Ms. Kristine Marie A. Noval at [kabenes@sanmiguel.com.ph](mailto:kabenes@sanmiguel.com.ph); or
- (2) Return the accomplished worksheet to my office, at the 4<sup>th</sup> Floor, 100 E. Rodriguez Jr. Avenue (C-5 Road), Barangay Ugong, Pasig City 1604, Metro Manila, in a sealed envelope; or
- (3) We can make arrangements to pick-up the accomplished worksheet from you.

We are also providing you a copy of the Board Risk Oversight Committee Charter of the Company, for your reference.

We wish to assure you that your responses shall be treated with utmost confidentiality.

Thank you.

  
**Atty. Alexandra B. Trillana**  
Corporate Secretary and Compliance Officer



**SAN MIGUEL FOOD AND BEVERAGE, INC.  
BOARD RISK OVERSIGHT COMMITTEE  
SELF-ASSESSMENT WORKSHEET**

NAME:

DATE:

This Board Committee Self-Assessment Worksheet is intended to assess and improve the performance of the Board Risk Oversight Committee in accordance with the Company’s Manual on Corporate Governance and Charter of the Board Risk Oversight Committee. Kindly accomplish this form by encircling the item that corresponds to your answer using the following criteria:

- 5 – Strongly Agree
- 4 – Agree
- 3 – Neither agree nor disagree
- 2 – Disagree
- 1 – Strongly Disagree

A remarks column is also provided for further comments, if necessary.

**1. Membership and Qualifications**

1.1 The Board Risk Oversight Committee has a minimum of three (3) voting members of the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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1.2 Majority of the Committee members are Independent Directors, including the Chairperson.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 1.3 The Chairperson of the Committee is not the Chairperson of the Board or of any other committee.

1	2	3	4	5
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Comments:

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- 1.4 At least one (1) member of the Committee has relevant thorough knowledge and experience on risk and risk management.

1	2	3	4	5
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Comments:

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- 1.5 The Chairperson and the director-members of the Committee are appointed by a majority vote of the members of the Board constituting a quorum either during the Organizational Board Meeting of the Company, or if there is a vacancy, during any meeting of the Board constituting a quorum.

1	2	3	4	5
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Comments:

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## 2. Structure and Operations

- 2.1 The Committee meets at such times and places as it considers appropriate, but no less than two (2) times a year.

1	2	3	4	5
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Comments:

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- 2.2 The Committee acts only on the affirmative vote of at least a majority of the members present at a meeting at which there is a quorum. *[Attendance of at least two (2) Committee members constitutes a quorum for the Committee to transact business.]*

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.3 The Chairperson of the Committee presides in all meetings of the Committee. In the absence of the Committee Chairperson, the Committee members present elect one (1) of the members as Chairperson of the meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.4 A notice of each meeting confirming the date, time, venue and agenda is sent to each member of the Committee at least two (2) working days prior to the date of the meeting. The notice includes the agenda items and materials to be taken up during the meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.5 As necessary, the Committee may invite members of management and organization staff of the Company and any of its subsidiaries, to attend the Committee meeting and provide pertinent information and data. At the discretion of the Committee, separate meetings with any member of the Company's or its subsidiaries' management may be held, whenever it is deemed appropriate by the Committee for the exercise of its functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.6 The Committee has full access to management, personnel and records of the Company and its subsidiaries for the performance of its duties and responsibilities. The Committee may also obtain external legal counsel or independent professional advice if it considers it necessary in the performance of its functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.7 The Committee is provided with sufficient resources by the Company to discharge its duties.

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Comments:

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### **3. Duties and Responsibilities**

- 3.1 The Committee ensures the development of 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) design and implementation of risk management strategies; and (e) continuing assessments to improve risk strategies, processes and measures.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.2 The Committee oversees the implementation of the enterprise risk management plan. As it deems necessary, the 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.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.3 The Committee evaluates 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 keeps abreast of significant developments that seriously impact the likelihood of harm or loss.

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Comments:

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3.4 The Committee advises the Board on its risk appetite levels and risk tolerance limits.

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Comments:

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3.5 The Committee reviews periodically as it deems necessary 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.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.6 The Committee assesses 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 most likely to occur and to impact the performance and stability of the Company and its stakeholders.

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Comments:

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3.7 The Committee provides oversight over management’s activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Company.

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Comments:

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3.8 The Committee reports 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.

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Comments:

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3.9 The Committee acts within such powers, duties and authority granted upon it by the Board.

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Comments:

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#### 4. Reporting Process

- 4.1 The Chairperson of the Committee, or in his/her absence, the member elected by the members present in a meeting, reports to the Board on the decisions and recommendations made by the Committee following each meeting.

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Comments:

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- 4.2 An annual report of the Committee's activities is prepared, which may be included in the Company's annual report.

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Comments:

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#### 5. Performance Evaluation

- 5.1 The Committee assesses its effectiveness periodically, with a view to ensuring that its performance accords with best practice. Such assessment must compare its performance with the requirements of the Charter of the Board Risk Oversight Committee, which shall be the basis of its formulation of objectives and plans to improve its performance, including any recommendations for amendments to the Charter for approval by the Board.

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Comments:

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- 5.2 The Charter of the Board Risk Oversight Committee is reviewed annually and updated as required.

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Comments:

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Signature over printed name