



**RESOLUTION NO. TC 2019-08**

*(Risk Management Committee)*

**WHEREAS**, during the Board Technical Committee meeting held on 16 April 2019, the creation of a Risk Management Committee (RMC) was proposed;

**WHEREAS**, during the TransCo Board of Directors on the same date, approved the composition of the RMC;

**WHEREAS**, the RMC shall be responsible for the following:

- (a) Performing oversight risk management functions specifically in the areas of managing credit, market, liquidity, operational, legal, reputational and other risks of TransCo, and crisis management, which shall include receiving from Senior Management periodic information on risk exposures and risk management activities;
- (b) Developing the Risk Management Policy of TransCo, ensuring compliance with the same and ensure that the risk management process and compliance are embedded throughout the operations of TransCo, especially at the Board and Management level;
- (c) Providing quarterly reporting and updating the Board on key risk management issues as well as ad hoc reporting and evaluation on investment proposals;
- (d) Conduct a yearly evaluation of the company's risk assessment and risk management program and ensure that appropriate controls are in place;
- (e) Recommend to the Board the company's strategic risks, including the risk mitigation and control measures that require mediate or urgent implementation;
- (f) Review the company's risk tolerance, financial exposures, and investment guidelines, including mitigating strategies, insurance, and other risk financing schemes being undertaken;
- (g) Review periodically the security, safety, physical loss control measures, and the specific emergency response plan by the company to ensure that all risks are adequately covered; and
- (h) Review annually the adequacy of the Manual on Corporate Governance and recommend any proposed changes to the Board.

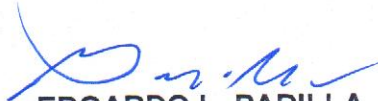
**NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that the composition of the Risk Management Committee is hereby approved, as follows:

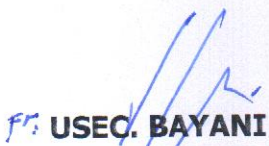
Chairman	- Alternate Representative/s Department of Energy
Vice Chairman	- Alternate Representatives/s Department of Environment & Natural Resources
Members	- Alternate Representative/s Department of Finance TRANSCO President & CEO


Chairperson, Board Audit Committee  
currently, Dir. Josephine Cassandra J. Cui  
Dir. Gladys N. Nalda

**APPROVED AND CONFIRMED.**  
**16 April 2019.**

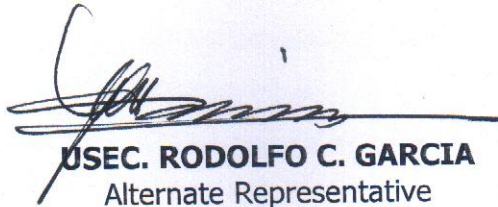
CERTIFIED TRUE AND CORRECT:

  
**EDGARDO L. PADILLA**  
Corporate Secretary

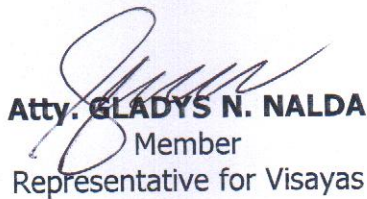
  
**USEC. BAYANI H. AGABIN**  
Alternate Representative  
for  
**SEC. CARLOS G. DOMINGUEZ III**  
Chairman  
Secretary, Department of Finance

  
**ASEC. REDENTOR E. DELOLA**  
Alternate Representative  
for  
**SEC. ALFONSO G. CUSI**  
Vice-Chairman  
Department of Energy

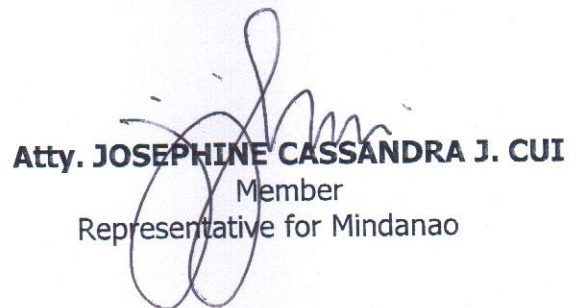




**USEC. RODOLFO C. GARCIA**  
Alternate Representative  
for  
SEC. ROY G CIMATU  
Department of Environment and Natural Resources



**Atty. GLADYS N. NALDA**  
Member  
Representative for Visayas



**Atty. JOSEPHINE CASSANDRA J. CUI**  
Member  
Representative for Mindanao



**Atty. MELVIN A. MATIBAG**  
Member  
President & CEO  
National Transmission Corporation