

REPUBLIC GLASS HOLDINGS CORPORATION
BOARD OF DIRECTORS
Audit and Risk Management Committee Charter

In pursuit of good corporate governance, and pursuant to the Revised Manual of Corporate Governance (Revised Manual) submitted to the Securities and Exchange Commission on May 31, 2017, the Board of Directors (Board) of Republic Glass Holdings Corporation (RGHC or Group or Company) hereby constitutes an Audit and Risk Management Committee (ARMC) and adopts this Charter to govern the committee's oversight functions and activities.

Committee Composition

The ARMC shall consist of at least three (3) members (majority of whom shall be independent directors) who shall preferably have accounting, finance and audit backgrounds and experience. All members of the Audit Committee shall have a basic understanding of finance and accounting, and be able to read and understand financial statements. The Chairman of the Committee should preferably be an Independent Director with relevant audit background and experience.

Roles and Responsibilities

The ARMC shall assist the Board in its oversight responsibilities on the following areas: (a) auditing and financial reporting, (b) enterprise risk management, and related party transactions.

A. Audit and financial Reporting

The committee shall have oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations. Detailed functions shall include, among others:

1. Monitor and evaluate the adequacy and effectiveness of the Group's internal control system, including financial reporting control and information technology security.
2. Perform oversight activities over RGCH's external auditors and the internal audit function. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records. Properties, and personnel to enable them to objectively perform their respective audit functions. ARMC shall ensure that in the performance of the work of the Internal and external auditors, they shall be free from interference by outside parties.
3. Organize an internal audit department and consider the appointment of an independent internal auditor and the terms and conditions of his engagement and removal.

4. Oversee the Internal Audit function, and recommends the appointment and/or grounds for approval of an internal audit head or Chief Audit Executive (CAE). The Committee shall also approve the terms and conditions for outsourcing internal audit services;
5. Review the annual internal audit plan to ensure its conformity with the objectives of RGCH Group. The plan shall include the audit scope, resources and budget necessary to implement its audit plan.
6. Establish the reporting line of the Internal Audit function to enable the internal audit team to properly fulfill their duties and responsibilities. For this purpose, they shall directly report to the ARMC.
7. Review the reports submitted by the internal and external auditors. Evaluate and monitor management's responsiveness to the internal and external auditors' findings and recommendations.
8. Prior to the commencement of the audit, discuss with the external auditors the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity, to secure proper coverage and minimize duplication of efforts.
9. Review the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on the following matters:
 - a) Any change/s in accounting policies and practices,
 - b) Major judgmental areas,
 - c) Significant adjustments resulting from the audit;
 - d) Going concern assumptions,
 - e) Compliance with accounting standards, and
 - f) Compliance with tax, legal and regulatory requirements.
10. Coordinate, monitor and facilitate compliance with laws, rules and regulations.
11. Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Company's overall consultancy expenses. The Committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the RGHC's annual report
12. Perform such other functions as may be delegated or authorized by the Board.

For complete coverage and guidance on auditing and financial reporting oversight responsibilities, ARMC shall refer to Article 3, Section 2, Article 9, Article 10, and Article 12, Sections 1-4 of the Revised Manual.

B. Enterprise Risk Management (ERM)

The ARMC shall provide oversight over management's activities in managing credit, market, liquidity, operational, legal and other risks faced by the RGHC. The Committee shall ensure that management identifies key risk areas as well as related performance indicators and monitor these factors with due diligence to enable, RGHC and the Group to anticipate and prepare for possible threats to its operational and financial viability.

The Board must ensure that management and employees adopt an ERM system and processes across the entire organization that is designed to identify potential events that may affect the RGHC Group, manage risks to be within the Board's risk appetite, and provide reasonable assurance regarding the achievement of the company's risk management objectives.

Management is primarily responsible for the development and implementation of an ERM as well as the risk management strategies adopted to address the prioritized risks. In turn, ARMC shall oversee the adequacy of the Group's enterprise risk management process. The Committee shall ensure that:

1. the President (the ERM champion) is assisted by a Chief Risk Officer, or in his absence, the Chief finance Officer.
2. the ERM system contains the following basic elements: (a) overall risk appetite of RGHC Group as approved by the Board, (b) risk profile, (c) risk management structure, and (d) risk management process.
3. there is an annual evaluation of the results of the risk assessment exercise and other information on risk exposures and risk management activities, and
4. there is close monitoring and effective management of identified priority risks.

The ARMC shall be further guided by Article 3, Sections 4 and 5 of the Revised Manual in its ERM oversight responsibilities.

C. Related Party Transactions (RPTs)

The Committee shall ensure that management formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions.

RPTs refer to transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. It shall be interpreted broadly to include not only transactions that are entered into with related parties, but also outstanding transactions that are entered into with an unrelated party that subsequently becomes a related party.

RPTs shall cover RGHC's subsidiaries, as well as affiliates and any party (including their subsidiaries, affiliates and special purpose entities), that the Company exerts direct or indirect control over or conversely that exerts direct or indirect control over the Company; the Company's directors; officers; shareholders and related interests (DOSRI), and their close family members, including corresponding persons in affiliated companies. The

coverage shall also include such other person or juridical entity whose interest may pose a potential conflict with the interest of the RGHC and the Group.

To ensure total coverage and effective oversight, ARMC shall be guided by the provisions of Article 3, Section 4 of the Revised Manual.

Committee Policies and Procedures

1. *Appointment and Removal.* The members of the Committee shall be appointed by the Board of Directors, taking into consideration the recommendation of the Governance and Nomination Committee, and shall serve at the pleasure of the Board and for such terms as the Board may determine. The members of the Committee may be removed, with or without cause, by the action of the Board of Directors.

2. *Availability of Outside Advisors/Observer.* The Committee may directly engage outside advisors (legal, accounting, and any others as maybe deemed necessary or appropriate in carrying its duties and responsibilities of its choosing at the RGHC's expenses. The Company shall provide funding determined appropriate by the Committee for any such advisors and firms. Any Member may however request any advisor/observer to be excluded from the Committee's meetings (or parts thereof) as such Member deems appropriate in order for the Committee to carry out its responsibilities. Such advisor/observer may not rejoin the relevant meeting of the Committee until the Committee has completed discussion of the relevant topic.

3. *Access to Information and employees.* The Committee is empowered to investigate any matter relating to its purpose, duties or responsibilities that it deems appropriate and shall have full and direct access to all books, records, facilities and personnel of the Company.

4. *Meetings.* The Committee shall meet at least four times each year and at such times and places, as the Committee shall consider appropriate to fulfill its duties and responsibilities. Members are expected to attend meetings in person but in special circumstances by means of video or telephone conference call or other electronic means. Written or electronic minutes of each meeting shall be prepared and filed with the records of the RGHC and shall be available to any and all Directors for the Company.

ARMC meetings shall be convened by the Committee Chairman as and he considers appropriate, or upon the request of a majority of the members.

A Committee meeting shall be convened upon notice in writing at least three (3) days prior to the meeting and specifying the place, date and time of the meeting and the matters to be discussed at the meeting.

Notice of any meeting of the Committee shall be deemed to be duly served upon a member/advisor if it is given to him personally, or sent to him by mail as appropriate, given by him to the Committee Secretary.

The quorum for any meeting of the Committee shall be at least a majority of the Members present throughout the meeting.

Members and advisors/observers may participate in a meeting of the Committee through teleconference or video conference by means of which all persons participating in the meeting can hear each other.

5. *Minutes and Records* The Committee shall appoint a Secretary who shall prepare minutes of meetings of the Committee and keep records of the Committee. Any such records shall be open for inspection by any member upon reasonable prior notice during usual office hours of the RGHC..Minutes of any meeting shall be signed by the Chairman and members present in the meeting.

Review of Committee Charter

This ARMC Charter shall be reviewed and assessed at least annually. However, it shall not be amended, altered or varied without prior approval of RGHC Board of Directors.

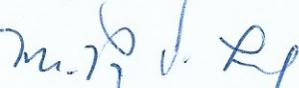
SIGNED: October 19, 2017


BIENVENIDO A. TAN, JR.
Chairman of the Board


GERONIMO F. VELASCO, JR.

President/Director


CELSO P. VIVAS
Independent Director


MA. PAZ V. LAPERAL
Director


LIZANNE C. UYCHACO
Director


**CORAZON S. DELA PAZ-
BERNARDO**
Independent director


RENATO R. ERMITA
Director


ADELINE S. LIM
Director


JOSE MIGUEL F. VELASCO
Director