



CHARTER OF THE AUDIT, RISK MANAGEMENT, AND SECURITY COMMITTEE
of the
MANILA INTERNATIONAL AIRPORT AUTHORITY

MEMBERSHIP

The Committee shall be composed of a minimum of three (3) Directors, whose Chairman should have audit, accounting or finance background.

Chairman	: (DOF) Usec. Bayani H. Agabin
Members	: (DOT) Usec. Shahlimar Hofer Tamano (OP) Asec. Gabriel Lorenzo Ignacio (2023 August-2025 November) Atty. Danielle Marie Rieza-Culangen (2025 December-Present) (CAAP) DG Raul Del Rosario/DG Danjun Lucas (PRIVATE SECTOR) Dir. Leopoldo M. Ubaldo

PURPOSE

The purpose of the Audit, Risk Management & Security Committee (the “Committee”) is to assist the Board of Directors (the “Board”) in the fulfilment of its functions with respect to MIAA’s audit, risk management and security by evaluating and providing oversight of the monitoring of organization.

The Committee’s role is one of oversight. Management is responsible for preparing the risk assessment and risk management. The Board and Committee recognize that management have more time, knowledge and detailed information about the organization than do Committee members. The Committee therefore relies on the reviews and reports provided by management. As appropriate, the Committee may challenge the reviews and reports to enhance the organization’s overall audit, risk management and security.

MEETINGS

The Chair shall preside at meetings of the Committee and shall set the agenda in consultation with the members.

The Committee shall meet at least quarterly or four times in a year, the Committee shall meet with the AGM for Finance and Administration, Head of Internal Audit, Chief Legal Officer or any other member of management, to enhance the opportunity for the identification and discussion of all issues warranting Committee attention.

Meetings of the Committee may be held in-person and/or via telephonic or electronic conference, and at such times and places as the Committee determines. A majority of the

members shall constitute a quorum. If a quorum is present, a majority of the members present shall decide any matter brought before the Committee.

The Chair may call a meeting of the Committee upon due notice to all other members at least three (3) weeks prior to the meeting and at least 48 hours prior to the meeting for more urgent matters.

Notice by electronic mail shall be sufficient notice. The Committee may also act by written consent signed by all of its members.

The Committee, acting through its Chair, may invite such executive officers of MIAA to its meetings, or to meetings with the Committee's advisers, as the Committee deems appropriate.

DUTIES AND RESPONSIBILITIES

- Oversee, monitor and evaluate the adequacy and effectiveness of the Authority's internal control system, engage and provide oversight relative to the Authority's internal and external auditors, and coordinating with the Commission on Audit (COA);
- Review and approve audit scope and frequency, the annual internal audit plan, quarterly, semi-annual and annual financial statements before submission to the Board, focusing on changes in accounting policies and practices, major judgmental areas, significant adjustments resulting from the audit, going concern assumptions, compliance with accounting standards with tax, legal, regulatory and COA requirements;
- Receive and review reports of internal and external auditors and regulatory agencies, and ensure that Management is taking appropriate corrective actions in a timely manner in addressing control and compliance functions with regulatory agencies;
- Ensure that internal auditors have free and full access to all the Authority's records, properties and personnel relevant to and required by its function and that the internal audit activity shall be free from interference in determining its scope, performing its work and communicating its results; and
- Develop a transparent financial management system that will ensure the integrity of internal control activities throughout the Authority through a procedures and policies handbook that will be used by the entire agency.
- Perform oversight risk management functions specifically in the areas of managing credit, market, liquidity, operational, legal, reputational and other risks of the agency, as well as crisis management, which shall include receiving from Senior Management periodic information on risk exposures and risk management activities;
- Develop the Risk Management Policy of the Authority, ensuring compliance with the same and ensuring further that the risk management process and compliance are

embedded throughout the operations of the Authority especially at the Board and Management level; and

- Provide quarterly reporting and updating the Board on key risk management issues as well as ad hoc reporting and evaluation on investment proposals.

REPORT

Report to the Board on Committee findings and recommendations, and maintain minutes or other records of Committee meetings and activities; and

Be responsible to the Board for its activities.

CHARTER AMENDMENT

This Charter shall be reviewed every two years and recommendations for changes, if any, shall be submitted to the Board for approval.

EFFECTIVITY

This Charter shall take effect immediately upon approval by the Board of Directors.