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	CORPORATE STRATEGIC PLANNING	
	ENTERPRISE-WIDE RISK MANAGEMENT POLICY	
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1.0 Purpose

The purpose of this policy is to:

- Establish a common approach to assessing, treating, recording, reporting and monitoring risks across the organization
- Facilitate the integration of sound risk management principles with GMA's corporate strategic and operational objectives to ensure a holistic enterprise-wide approach

2.0 Scope


This policy applies to all activities of GMA Network, Inc, its employees, contractors, and external stakeholders

3.0 Standard

All risk management-related activities within GMA will be conducted consistent with the *International Organization for Standardization (ISO) 31000:2018 Risk management* guidelines

4.0 Definition of terms

- 4.1 Risk** - Effect of uncertainty on objectives. An effect is a deviation from the expected. It can be positive, negative, or both, and can address, create or result in opportunities and threats. Objectives can have different aspects and categories, and can be applied at different levels. Risk is usually expressed in terms of risk sources, potential events, their consequences and their likelihood.
- 4.2 Risk management** - Coordinated activities to direct and control an organization with regard to risk
- 4.3 Stakeholder** - Person or organization that can affect, be affected by, or perceive themselves to be affected by a decision or activity. The term "interested party" can be used as an alternative to "stakeholder"
- 4.4 Risk source** - Element which alone or in combination has the potential to give rise to risk
- 4.5 Event** - Occurrence or change of a particular set of circumstances. An event can have one or more occurrences, and can have several causes and several consequences. An event can also be something that is expected which does not happen, or something that is not expected which does happen. An event can be a risk source.
- 4.6 Consequence** - Outcome of an event affecting objectives. A consequence can be certain or uncertain and can have positive or negative, direct or indirect effects on objectives. Consequences can be expressed qualitatively or quantitatively. Any consequence can escalate through cascading and cumulative effects

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4.7 Likelihood - Chance of something happening. In risk management terminology, the word “likelihood” is used to refer to the chance of something happening, whether defined, measured or determined objectively or subjectively, qualitatively or quantitatively, and described using general terms or mathematically (such as probability or a frequency over a given time period)

4.8 Control - Measure that maintains and/or modifies risk. Controls include, but are not limited to, any process, policy, device, practice, or other conditions and/or actions which maintain and/or modify risk. Controls may not always exert the intended or assumed modifying effect

5.0 Roles and responsibilities

A risk management structure must be in place for the purpose of planning, executing, monitoring and improving the organization’s management process:

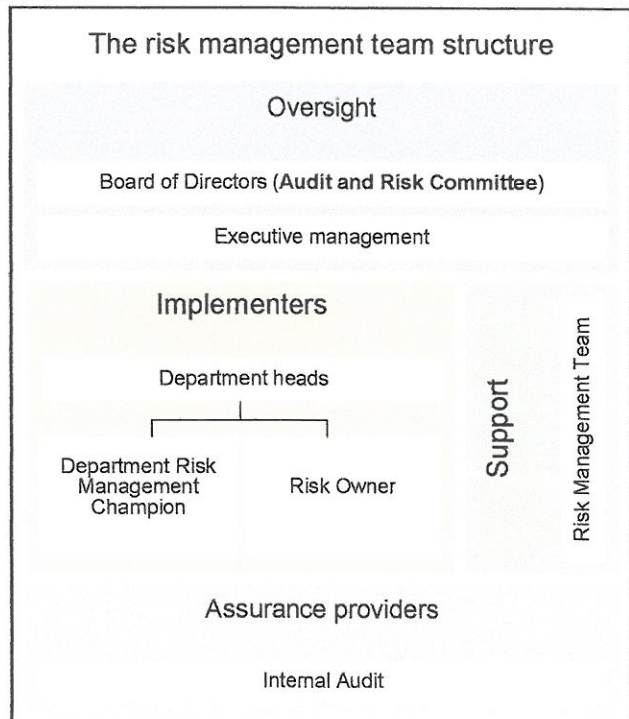
5.1 Risk management oversight


5.1.1 The Board of Directors

- Determines the strategic direction
- Creates the environment and structures for risk management to operate effectively
- Assisted by the **Audit and Risk Committee**, which provides a general evaluation in the overall improvement of the risk management, control, and governance process of GMA as designed by management and approved by the Board or ExCom; and provides assurance that these are properly functioning

5.1.2 Executive management

- Periodically reviews the organization’s risk profile
- Fosters a risk-aware culture
- Reports to the Board on the effectiveness of the risk management standard and of the organization’s management of its material business risks



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5.2 Risk management implementers

5.2.1 Department heads

- Responsible for the effective identification, assessment, management, monitoring, reporting, reporting and control of risk within their areas of responsibility
- Develops risk management performance targets
- Promotes risk awareness within their operations
- Designates risk management responsibilities and accountabilities within his/her functional area of responsibility
- Submits risk management reports semi-annually, or when risk are updated before the regular submission schedule

5.2.2 Department Risk Management Champion

- Supervises the consistent execution and continuous improvement of the risk management process in their respective business function
- Reviews and updates the risk register
- Ensures that newly emerging risks are identified and included in the risk register
- Guides Risk Owners in preparing reports for the Risk Management Team
- Acts as the risk management resource person within their respective business functions

5.2.3 Risk owners

- Responsible for and owns the assigned risks
- Authorizes risk management priorities, analysis, strategies and action plans within his/her assigned risk, after approval by the Board
- Communicates the progress of risk management strategies and action plan, related to his assigned risks, to the Risk Management Champion and business leader

5.3 Risk management support


5.3.1 Risk management team

- Develops the Risk Management Policy and keeps it updated
- Designs and reviews the process for risk management
- Build a risk awareness culture within the organization, including appropriate training and education
- Prepares reports on risk for the board and the stakeholders

5.4 Risk management assurance providers

5.4.1 Internal audit

- Focuses the internal audit work on the significant risks, as identified by management
- Audits the risk management processes across the organization

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- Provides assurance on the management of risk
- Provides active support and involvement in the risk management process
- Facilitates risk identification/assessment
- Educates line staff in risk management and internal control
- Coordinates risk reporting to the board, audit committee, etc.

6.0 Policy statement

GMA is committed to the effective management of risk, recognizing that the organization is exposed to a broad range of risks, which, if not managed, could adversely impact the achievement of its strategic objectives.

It is the policy of GMA to:

- Integrate risk management into the culture and operations of the organization
- Incorporate risk management into strategic planning, activity planning, performance management, and resource allocation decisions
- Manage risk in accordance with the adopted risk standard
- Periodically revisit and re-assess the organization's risk profile and the effectiveness of risk treatments in the context of the various strategic plans


7.0 Guidelines

The principles and framework for GMA's risk management are based on the adopted standard, customized based on the unique structure of the organization:

7.1 Principles

The following principles provide guidance on the characteristics of effective and efficient risk management, communicating its value and explaining its intention and purpose. The principles are the foundation for managing risk and enable GMA to manage the effects of uncertainty on its objectives:

- 7.1.1 Integrated** - Risk management is an integral part of all organizational activities
- 7.1.2 Structured and comprehensive** - A structured and comprehensive approach to risk management contributes to consistent and comparable results
- 7.1.3 Customized** - The risk management framework and process are customized and proportionate to the organization's external and internal context in relation to its objectives
- 7.1.4 Inclusive** - Appropriate and timely involvement of stakeholders enables their knowledge, views and perceptions to be considered. This results in improved awareness and informed risk management
- 7.1.5 Dynamic** - Risks can emerge, change or disappear as an organization's external context and internal context change. Risk management anticipates, detects,

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acknowledges, and responds to those changes and events in an appropriate and timely manner

- 7.1.6 Best information available** - The inputs to risk management are based on historical and current information, as well as on future expectations. Risk management explicitly takes into account any limitations and uncertainties associated with such information and expectations. Information is timely, clear and available to relevant stakeholders.
- 7.1.7 Human and cultural factors** - Human behavior and culture significantly influence all aspects of risk management at each level and stage
- 7.1.8 Continual improvement** - Risk management is continually improved through learning and experience

7.2 Framework

The purpose of the risk management framework is to assist the organization in integrating risk management into significant activities and functions. The effectiveness of risk management will depend on its integration into the governance of the organization, including decision-making.

The components of the framework are as follows:

7.2.1 Leadership and commitment


Top management and oversight bodies ensure that risk management is integrated into all organizational activities and demonstrate leadership and commitment by:

- Ensuring that the necessary resources are allocated to managing risks
- Assigning authority, responsibility and accountability at appropriate levels within the organization

Management is accountable for managing risk while oversight bodies are accountable for overseeing risk management. Oversight bodies are expected to:

- Ensure that risks are adequately considered when setting the organization's objectives



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- Understand the risks facing the organization in pursuit of its objectives
- Ensure that systems to manage such risks are implemented and operating effectively
- Ensure that such risks are appropriate in the context of the organization's objectives
- Ensure that information about such risks and their management is properly communicated

7.2.2 Integration

Integrating risk management relies on an understanding of organizational structures and context. Risk is managed in every part of the organization's structure.

Governance guides the course of the organization, its external and internal relationships, and the rules, processes and practices needed to achieve its purpose. Management structure translate governance direction into strategy and associated objectives required to achieve desired levels of sustainable performance and long-term viability.

Determining risk management accountability and oversight roles within an organization are integral parts of the organization's governance.

Risk management is a part of, and not separate from, the organizational purpose, governance, leadership and commitment, strategy, objectives and operations.

7.2.3 Design

7.2.3.1 Understanding the organization and its context


In designing the framework for managing risk, GMA examines and understands its external and internal context.

7.2.3.2 Articulating risk management commitment

Top management and oversight bodies demonstrate and articulate their continual commitment to risk management through the issuance and implementation of this policy that clearly conveys GMA's objectives and commitment to risk management.

7.2.3.3 Assigning organizational roles, authorities, responsibilities and accountabilities

Top management and oversight bodies ensure that authorities, responsibilities and accountabilities for risk management roles are assigned and communicated at all levels of the organization.

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7.2.3.4 Allocating resources

Top management and oversight bodies ensure allocation of appropriate resources for risk management, which can include, but not limited to:

- People, skills, experience and competence
- GMA's processes, methods and tools used for managing risk
- Documented policies and procedures
- Information and knowledge management systems
- Professional development and training needs

7.2.3.5 Establishing communication and consultation

There is an established and approved approach to communication and consultation in order to support the framework and facilitate the effective application of risk management.

7.2.4 Implementation

The risk management framework is implemented by:

- Developing an appropriate plan including time and resources
- Identifying where, when, and how different types of decisions are made across the organization, and by whom
- Modifying the applicable decision-making processes where necessary
- Ensuring that the organization's arrangements for managing risk are clearly understood and practiced

7.2.5 Evaluation

The risk management framework performance will be periodically measured against its purpose, implementation plans, indicators and expected behavior. Periodically, the framework will be reviewed whether it remains to be suitable in achieving the objectives of the organization.


7.2.6 Improvement

7.2.6.1 Adapting

The risk management framework will be continually monitored and improved to address external and internal changes.

7.2.6.2 Continually improving

The suitability, adequacy and effectiveness of the risk management framework will be continually improved.

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As relevant gaps or improvement opportunities are identified, the organization will develop plans and tasks and assign them to those accountable for implementation.

7.3 Policy review

This Policy shall be reviewed annually to remain updated and relevant to GMA's business and structure.

7.4 Communication

This Policy shall be communicated throughout the organization, for strict compliance by all employees.

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Approved by:	
 GILBERTO R DUAVIT, JR President & COO	 FELIPE L GOZON Chairman & CEO