

BOARD RISK OVERSIGHT
COMMITTEE CHARTER

TABLE OF CONTENTS

- ARTICLE I - ENTERPRISE RISK MANAGEMENT POLICY 2**
- ARTICLE II - BOARD RISK OVERSIGHT COMMITTEE..... 2**
- ARTICLE III - MEMBERSHIP, COMPOSITION AND TERM..... 2**
 - 1. Appointment..... 2
 - 2. Composition..... 2
 - 3. Term 2
 - 4. Vacancies 2
- ARTICLE IV - DUTIES AND RESPONSIBILITIES 3**
 - 1. Develop Enterprise Risk Management Framework 3
 - 2. Implement of the Risk Management Framework 3
 - 3. Evaluate and Review the Risk Management Framework 3
 - 4. Advise the Board 3
 - 5. Annual Review of Risk Levels..... 3
 - 6. Assessment of Risks and Impact 3
 - 7. Oversee Management Activities 3
 - 8. Report to the Board 4
 - 9. Coordinate with Chief Risk Officer 4
- ARTICLE V - ENTERPRISE RISK MANAGEMENT 4**
 - 1. Risk Management..... 4
 - 2. Identify Key Exposures..... 4
 - 3. Evaluate Identified Risk 4
 - 4. Risk Register..... 4
 - 5. Risk Mitigation Plan..... 4
 - 6. Report Risk Exposure 4
 - 7. Review of Management Processes 4
- ARTICLE VI - CHIEF RISK OFFICER 4**
- ARTICLE VII - MEETINGS..... 5**
 - 1. Meetings..... 5
 - 2. Quorum and Voting..... 5
 - 3. Minutes 5
 - 4. Report to the Board 5
- ARTICLE VIII - MISCELLANEOUS..... 5**
 - 1. Annual Review of the Charter..... 5
 - 2. Effectivity..... 5

ARTICLE I - ENTERPRISE RISK MANAGEMENT POLICY

It is the policy of the Board of Directors (the “**Board**”) of Ferronoux Holdings, Inc. (“**FERRO** or the “**Corporation**”) that exposure of the Corporation to key risks are effectively identified, assessed and monitored in accordance with an enterprise risk management framework with founded upon the objective of preserving the integrity and the proper governance of FERRO’s operations and affairs.

ARTICLE II - BOARD RISK OVERSIGHT COMMITTEE

The Board Risk Oversight Committee (“**BROC**” or the “**Committee**”) shall be principally responsible for the oversight on the operations of FERRO in order to ensure that the key risks are properly identified and the = Enterprise Risk Management System are properly implemented to ensure the functionality and effectiveness of FERRO’s affairs. For this purpose, the Board hereby adopts this charter (“**BROC Charter**” or the “**Charter**”) to set forth the guidelines and regulations to be observed by the BROC in the performance of its functions and the mechanism on the management of identified risks of the business.

ARTICLE III - MEMBERSHIP, COMPOSITION AND TERM

1. Appointment - The Board of Directors shall have the authority to duly appoint the members of the BROC in accordance with the requirements under the applicable law and this Charter.
2. Composition - The BROC will consist of at least three (3) members, majority of whom should be independent directors. The Chairman of the BROC must be an independent director and must not chair any other committee in the Company. At least one (1) member of the BROC must have relevant thorough knowledge and experience on risk and risk management.
3. Term - The members of the Committee shall serve for a period of one (1) year from the time of their appointment, which shall be on the annual organizational meeting, and until their successors have been appointed in the following annual organizational meeting, unless removed or replaced by the Board.
4. Vacancies - The Board of Directors shall have the power to remove and replace the members of the Committee, and fill in vacancies thereto.

ARTICLE IV - DUTIES AND RESPONSIBILITIES

The BROC shall have the following responsibilities:

1. Develop Enterprise Risk Management Framework - Develop 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) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures.
2. Implement of the Risk Management Framework - Oversee the implementation of the enterprise risk management plan through a Management Risk Oversight Committee. The BROC must conduct 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.
3. Evaluate and Review the Risk Management Framework - Evaluate the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The BROC should revisit defined risk management strategies, looks for emerging or changing material exposures, and stays abreast of significant developments that seriously impact the likelihood of harm or loss.
4. Advise the Board - Advise the Board on its risk appetite levels and risk tolerance limits.
5. Annual Review of Risk Levels - Review at least annually 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.
6. Assessment of Risks and Impact - Assess 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 the most likely to occur and to impact the performance and stability of the corporation and its stakeholders.
7. Oversee Management Activities - Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management.

8. Report to the Board - Report 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.
9. Coordinate with Chief Risk Officer - Ensure clear communication with the Chief Risk Officer.

ARTICLE V - ENTERPRISE RISK MANAGEMENT

The BROC and/or Management Risk Oversight Committee enterprise risk management is tasked with identifying, assessing and monitoring key risk exposures by:

1. Risk Management - Defining a risk management strategy;
2. Identify Key Exposures - Identifying and analyzing key risks exposure relating to economic, environmental, social and governance (EESG) factors and the achievement of the organization's strategic objectives;
3. Evaluate Identified Risk - Evaluating and categorizing each identified risk using the company's predefined risk categories and parameters;
4. Risk Register - Establishing a risk register with clearly defined, prioritized and residual risks;
5. Risk Mitigation Plan - Developing a risk mitigation plan for the most important risks to the company, as defined by the risk management strategy;
6. Report Risk Exposure - Communicating and reporting significant risk exposures including business risks (i.e., strategic, compliance, operational, financial and reputational risks), control issues and risk mitigation plan to the BROC; and
7. Review of Management Processes - Monitoring and evaluating the effectiveness of the organization's risk management processes.

ARTICLE VI - CHIEF RISK OFFICER

1. Appointment of Chief Risk Officer - Subject to a company's size, risk profile and complexity of operations, a Chief Risk Officer ("CRO") should be appointed from within the organization.
2. Duties and Obligations - The CRO is the main proponent of enterprise risk management ("ERM") and has the following functions, among others:

- a. Supervises the entire ERM process and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and documentation;
- b. Communicates the top risks and the status of implementation of risk management strategies and action plans to the Board Risk Oversight Committee;
- c. Collaborates with the CEO in updating and making recommendations to the Board Risk Oversight Committee;
- d. Suggests ERM policies and related guidance, as may be needed; and
- e. Provides insights on whether (i) risk management processes are performing as intended; (ii) risk measures reported are continuously reviewed by risk owners for effectiveness; and (iii) established risk policies and procedures are being complied with.

ARTICLE VII - MEETINGS

1. Meetings - The Committee shall meet once every year, or at a date and place agreed upon by all the members of the Committee.
2. Quorum and Voting - A majority of the members of the Committee shall constitute a quorum and every decision of at least a majority of the Committee members present at a meeting at which there is a quorum shall be valid, unless a specific number of votes is required by existing laws and regulations.
3. Minutes - The minutes of the Committee meetings shall be recorded by the Corporate Secretary and presented to the Committee at the next Committee meeting for approval.
4. Report to the Board - The results of the meeting or any action or decision taken by the Committee therein shall be reported by the designated member of the Committee to the Board.

ARTICLE VIII - MISCELLANEOUS

1. Annual Review of the Charter - The Board of Directors shall review and assess the adequacy of this BROOC Charter annually or as the need arises.
2. Effectivity - This BROOC Charter shall take effect upon approval of the Board.

Ferronoux Holdings, Inc.

BOARD RISK OVERSIGHT COMMITTEE CHARTER

Approved by the Board of Directors on June 20, 2019.

(Original Signed)

MICHAEL C. COSIQUIEN
Chairman & President

(Original Signed)

ALLESANDRA FAY V. ALBARICO
Compliance Officer