GALLAGHER INSURANCE BROKERS (PHILIPPINES), INC.

BOARD OF DIRECTORS' CHARTER

April 2026

This Charter sets out matters governing the composition, functions and responsibilities of the Board of Directors (the "Board") of Gallagher Insurance Broker (Philippines), Inc. (the "Company").

1. THE BOARD'S FUNCTIONS AND RESPONSIBILITIES

1.1 Fiduciary Role

The Board, consistent with its fiduciary responsibility, should act on a fully informed basis, in good faith. with due diligence and care, and in the best interest of the Company and all shareholders. (Recommendation 2.1, Revised Code of Corporate Governance for Insurance Commission Regulated Companies ("Revised CCG for ICRCs")) The Board should conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities. (Manual on Corporate Governance ("MCG"))

1.2 Key Functions

To create optimal value to the Company, the Board shall exercise the following functions:

(a) review and guide corporate strategy, major plans of action, risk management policies and procedures, annual budgets and business plans;

(b) set performance objectives, monitor implementation and corporate performance; and

(c) oversee major capital expenditures, acquisitions and divestitures.

Sound strategic policies and objectives translate to the Company's proper identification and prioritization of its goals and guidance on how best to achieve them. (Recommendation 2.2, Revised CCG for ICRCs)

1.3 Specific Responsibilities

For purposes of this Charter, Management refers to the group of executives given the authority by the Board to implement the policies it has laid down in the conduct of the business of the Company. (Section II (4), Revised CCG for ICRCs)

In addition to the Board's legal obligations under the Revised Corporation Code and any requirements specified in the Company's Articles of Incorporation and By-laws, the Board's responsibility include the following:

Fundamental Corporate Actions

(a) approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestments;

(b) approving the financial statements and any other published reporting of the Company in accordance with the applicable laws and regulations; and

(c) overseeing that any Gallagher Group policies and functions applicable to the Company give appropriate regard to the specific business and circumstances of the Company, and to the extent allowed by law and regulations, approving the use of such Group policies and functions for the Company.

Corporate Culture and Governance

(a) determining the Company's purpose, its vision and mission and strategies to carry out its objectives; (MCG)

(b) ensuring that the Company complies with all relevant laws, regulations and codes of best business practices;

(c) approving the Company's Manual of Corporate Governance, which must be submitted to the regulators, including formation of Board committees and the terms of applicable governing charters, and monitoring their effectiveness, and posting on the Company's website; (Recommendation 8.6, Revised CCG for ICRCs)

(d) adopting a Code of Business Conduct and Ethics, which would provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings. The Code should be properly disseminated to the Board, Management and employees. It should also be disclosed and made available to the public through the Company website; (Recommendation 7.1, Revised CCG for ICRCs)

(e) ensuring the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies; (Recommendation 7.2, Revised CCG for ICRCs)

(f) establishing corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a Company's financial condition, results and business operations; (Recommendation 8.1, Revised CCG for ICRCs)

(g) having a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance issues of its business, which underpin sustainability; (Recommendation 10.1, Revised CCG for ICRCs)

(h) adopting a globally recognized standard/framework in reporting sustainability and non-financial issues; (Recommendation 10.1, Revised CCG for ICRCs)

(i) having a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public; (Recommendation 11.1, Revised CCG for ICRCs)

(j) ensure that basic shareholder rights are disclosed in the Manual on Corporate Governance and on the Company's website; (Recommendation 13.1, Revised CCG for ICRCs)

(k) encouraging active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 21 days before the meeting; (Recommendation 13.2, Revised CCG for ICRCs)

(l) encourage active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting may be available on the Company website within Five (5) business days from the end of the meeting; (Recommendation 13.3, Revised CCG for ICRCs)

(m) creating an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. This should be included in the Company's Manual on Corporate Governance (Recommendation 13.4, Revised CCG for ICRCs);

(n) identifying the Company's various stakeholders and promote cooperation between them and the Company in creating wealth, growth and sustainability; (Recommendation 14.1, Revised CCG for ICRCs)

(o) establishing clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders; (Recommendation 14.2, Revised CCG for ICRCs)

(p) adopting a transparent framework and process that allow stakeholders to communicate with the Company and to obtain redress for the violation of their rights; (Recommendation 14.3, Revised CCG for ICRCs)

(q) establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and in its governance as embodied in the Company's Employee Code of Conduct; (Recommendation 15.1, Revised CCG for ICRCs)

(r) setting the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct; (Recommendation 15.2, Revised CCG for ICRCs)

(s) disseminating the anti-corruption policy and program to employees across the organization through trainings to embed them in the Company's culture; (Recommendation 15.2, Revised CCG for ICRCs)

(t) establishing a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns, as well as in supervising and ensuring its enforcement; (Recommendation 15.3, Revised CCG for ICRCs) and

(u) ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions, particularly those which pass certain thresholds of materiality (Recommendations 2.7 and 8.5, Revised CCG for ICRCs), and that transactions with related parties are handled in a sound and prudent manner with integrity and in compliance with applicable laws and regulations to protect the interest of stakeholders (Section 2.1, Insurance Commission Circular Letter No. 2017-29).

Board and Management Oversight

(a) oversight of the Company, including its control and accountability systems;

(b) installing a process of selection to ensure a mix of competent directors and officers; (MCG)

(c) keeping the Board authority within the powers of the institution as prescribed in the Company's Articles of Incorporation and By-Laws and in applicable laws, rules and regulation; (MCG)

(d) ensuring that any authorities delegated to Management are clearly set out and documented, and that there are mechanisms in place to enable the Board to monitor the exercise of delegated authority;

(e) appointing and removing officers of the Company, approving the selection and assessing the performance of the Management and the control functions such as compliance and internal audit functions;[1]

(f) conducting an annual assessment of its performance, including the performance of the Chairman, individual members and committees. The said assessment is being conducted within Gallagher Group;[2]

(g) providing, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees and such system should allow for a feedback mechanism from the shareholders;

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[1] Recommendation 2.8 of the Revised CCG for ICRCs provides that "[t]he Board should be primarily responsible for approving the selection and assessing the performance of the Management led by the Chief Executive Officer ("CEO"), and the control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive)". However, the Company does not have its own Chief Audit Executive as the internal audit function of the Company is instead carried out by Gallagher Group's Global Internal Audit function. The Company also has not appointed a Chief Risk Officer because its subsidiary, Environmental and Risk Management Services Philippines, Inc., supports the Company in its enterprise risk management ("ERM") functions.

[2] Recommendation 6.1 of the Revised CCG for ICRCs provides that "[t]he Board should conduct an annual assessment of its performance, including the performance of the Chairman, individual members and committees. Every three years, the assessment may be supported by an external facilitator". However, the Company does not plan to engage an external facilitator because the Board and the Chairman are regularly assessed within the Gallagher Group.

(h) ensuring and adopting an effective succession planning program for directors, key officers and Management to ensure growth and a continued increase in the shareholders' value; (Recommendation 2.4, Revised CCG for ICRCs; MCG)

(i) formulating and adopting a policy specifying the relationship between remuneration and performance of key officers and board members which should be aligned with the long-term interests of the Company. Further, no director should participate in discussions or deliberations involving his own remuneration; (Recommendation 2.5, Revised CCG for ICRCs)

(j) disclosing in its Manual on Corporate Governance a formal and transparent board nomination and election policy that should include how it accepts nominations from minority shareholders, if any, and reviews nominated candidates; (Recommendation 2.6, Revised CCG for ICRCs)

(k) ensuring that its independent directors possess the necessary qualifications and none of the disqualifications for an independent director to hold the position; (Recommendation 5.2, Revised CCG for ICRCs)

(l) providing a full disclosure of all relevant and material information on individual board members and key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment; (Recommendation 8.3, Revised CCG for ICRCs)

(m) providing a clear disclosure of its policies and procedure for setting Board and executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code. Also, companies should disclose the remuneration on an individual basis, including termination and retirement provisions; (Recommendation 8.4, Revised CCG for ICRCs)

(n) establishing an effective performance management framework that will ensure that the Management, including the Chief Executive Officer, and personnel's performance is at par with the standards set by the Board and Senior Management; and (Recommendation 2.9, Revised CCG for ICRCs)

(o) establish board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities. (Recommendation 3.1, Revised CCG for ICRCs)

Audit and Risk Oversight

(a) reviewing and approving the Company's risk management framework and overseeing that a sound enterprise risk management ("ERM") framework is in place to effectively identify, monitor, assess and manage key business risks; (Recommendation 2.11, Revised CCG for ICRCs)

(b) overseeing that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts of interest of Management, board members, and shareholders; (Recommendation 2.10, Revised CCG for ICRCs)

(c) approving the Business Continuity Management Policy, and overseeing that the business continuity risks and controls are taken into account as part of the risk management framework;

(d) overseeing that the internal audit function of the Company is being adequately performed by the Global Internal Audit function within Gallagher Group;[3]

(e) To appointing, re-appointing or removing the Company's external auditor; and

[3] Recommendation 2.10 of the Revised CCG for ICRCs provides that "[t]he Board should oversee that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts of interest of Management, board members, and shareholders. The Board should also approve the Internal Audit Charter". However, the Company does not have its own Internal Audit Charter because its internal audit function is being performed by the Global Internal Audit function of Gallagher Group.

(f) satisfying itself that the Company's external auditor is independent and that there is no conflict of interest that could compromise, or be seen to compromise, that independence.

2. THE RELATIONSHIP BETWEEN THE BOARD AND MANAGEMENT

(a) The separation of functions and responsibilities between the Board and Management are set out in this Charter and should be respected and clearly understood.

(b) The day-to-day management of the Company and its businesses is the responsibility of the CEO.

(c) The Board delegates to the CEO all powers to manage the day-to-day business of the Company, subject to those powers reserved to the Board, and any specific delegations of authority approved by the Board.

3. COMPOSITION OF THE BOARD

3.1 Competencies

The Board is responsible for determining an appropriate mix of skills, knowledge, experience, expertise and diversity on the Board, such that the Board comprises Directors who will make an effective contribution to Board deliberations and processes, and collectively, possess the skills, knowledge and experience necessary to review and approve the strategic direction of the Company, and to guide and monitor the management of the Company.

3.2 Number

(a) The number of Directors on the Board of the Company shall be as provided in the Company's Articles of Incorporation.

(b) The Board should be composed eight (8) directors who possess the necessary qualifications to effectively participate and help secure objective, independent judgment on Company affairs and to substantiate proper checks and balances.[4]

(c) The Board must have at least two (2) independent directors or twenty percent (20%) of the members of the board, whichever is higher. Any fractional result from applying the foregoing required minimum proportion shall be rounded off to the nearest whole number. (Insurance Commission Circular Letter No. 2018-36)

3.3 Qualifications

The Board is responsible for reviewing the composition, skills and experience on the Directors of a Company, and making recommendations in relation to Board appointments. All Directors nominated for the Board should possess the necessary skills, knowledge, expertise, diligence and soundness of judgment to

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[4] Recommendation 1.2 of the Revised CCG for ICRCs provides that "[t]he Board should be composed of a majority of non-executive directors who possess the necessary qualifications to effectively participate and help secure objective, independent judgment on Company affairs and to substantiate proper checks and balances". However, the Board is instead composed of four (4) non-executive directors and four (4) executive directors. The executive directors are the President and three (3) top level managers. Although the non-executive directors do not comprise the majority of the directors, there exists an equal representation of non-executive directors, which includes two (2) independent directors. No particular group of directors (i.e., executive versus non-executive) can dominate the decision-making process.

undertake and fulfil their role, and have the capacity to contribute to the Board reaching decisions by informed consensus.

Subjection to the criteria and approval protocols of the Board's Nomination Committee, a Director shall have the following minimum qualifications:

(a) Holder of at least (1) share of stock of the Company;
(b) He shall be at least twenty-five (25) years old;
(c) He shall have proven to possess integrity and probity; and
(d) He shall be assiduous. (MCG)

3.4 Grounds for Disqualification

In addition to those provided under applicable laws and regulations, the following are the grounds for the disqualification of a director:

(a) Permanent Disqualification

(1) Persons found by the Insurance Commission ("IC") or a court or other administrative body to have wilfully violated, or wilfully aided, abetted, counselled, induced or procured the violation of insurance laws;

(2) Persons judicially declared to be insolvent, spendthrift or unable to enter into a contract;

(3) Persons who have been convicted by final judgment of the court for offenses involving dishonesty or breach of trust such as *estafa*, embezzlement, extortion, forgery, malversation, swindling and theft;

(4) Persons with derogatory records with the National Bureau of Investigation, court, police, Interpol and insurance authorities of other countries (for foreign directors) involving violation of any law, rule or regulation of the government or any of its instrumentalities adversely affecting the integrity and/or ability to discharge the duties of an insurance director; (MCG) or

(5) Directors, officers or employees of closed insurance companies or any insurance intermediaries who were responsible for such institution's closure as determined by the IC; (Recommendation 2.6, Revised CCG for ICRCs)

(6) Within five (5) years prior to the election or appointment, the director or officer was convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years;

(7) Within the tenure, the director or officer was convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years;

(8) Within five (5) years prior to the election or appointment, the director, trustee, or officer was convicted by final judgment for violating the Revised Corporation Code;

(9) Within the tenure, the director or officer was convicted by final judgment for violating the Revised Corporation Code;

(10) Within five (5) years prior to the election or appointment, the director or officer was convicted by final judgment for violating the Securities Regulation Code;

(11) Within the tenure, the director or officer was convicted by final judgment for violating the Securities Regulation Code;

(12) Within five (5) years prior to the election or appointment, the director or officer was found administratively liable, by final judgment, for any offense involving fraudulent acts punishable under

the Revised Corporation Code and the Securities Regulation Code, and other laws, rules or regulations enforced or implemented by the Securities and Exchange Commission;

(13) Within the tenure, the director or officer was found administratively liable, by final judgment, for any offense involving fraudulent acts punishable under the Revised Corporation Code, Securities Regulation Code, and other laws, rules or regulations enforced or implemented by the Securities and Exchange Commission;

(14) Within five (5) years prior to the election or appointment, the director or officer was convicted or found administratively liable by a foreign court or equivalent foreign regulatory authority for acts, violations or misconduct similar to those enumerated in paragraphs (a) and (b) of Section 26 of the Revised Corporation Code;

(15) Within the tenure, the director or officer was convicted or found administratively liable by a foreign court or equivalent foreign regulatory authority for acts, violations or misconduct similar to those enumerated in paragraphs (a) and (b) of Section 26 of Revised Corporation Code;

(16) Within five (5) years prior to the election or appointment, or within the tenure, the director or officer was found administratively liable, by final judgment, for refusal to allow the inspection and/or reproduction of corporate records. (SEC Memorandum Circular No. 4, Series of 2022)

(b) Temporary Disqualification

(1) Persons who refuse to fully disclose the extent of his business interest as required under the applicable laws or of a circular, memorandum or rule or regulation of the IC. This disqualification shall be in effect as long as his refusal persists;

(2) Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of Directors during his incumbency, unless the absence is due to illness, death in the immediate family, serious accident or other unforeseen or fortuitous events. This disqualification applies for purposes of the succeeding election;

(3) Dismissal / Termination from directorship in another company for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;

(4) Being under preventive suspension by the Company;

(5) If the independent director becomes an officer or employee of the same company he shall be automatically disqualified from being an independent director;

(6) Conviction that has not yet become final referred to in the grounds for the permanent disqualification of directors; (MCG)

(7) Persons convicted for offenses involving dishonesty, breach of contract or violation of insurance laws but whose conviction has not yet become final and executory;

(8) Directors and officers of closed insurance companies and insurance intermediaries pending clearance from the IC;

(9) Directors disqualified for failure to' observe/discharge their duties and responsibilities prescribed under existing regulations. This disqualification applies until the lapse of the specific period of disqualification of the IC;

(10) Directors who failed to attend the special seminar on corporate governance. This disqualification applies until the director concerned had attended such seminar;

(11) Persons dismissed/terminated from employment for cause. This disqualification shall be in effect until they have cleared themselves of involvement in the alleged irregularity; and

(12) Persons who are delinquent in the payment of his financial obligations and those of his related interests as defined hereunder:

i. Delinquency in the payment of obligations means that obligations of a person with the insurance company or its related companies where he/she is a director or officer; or at least two obligations with other financial institutions, under different credit lines or loan contracts;

ii. Obligations shall include all borrowings from a financial institution, or its related companies obtained by:

1. A director for his own account or as the representative or agent of others or where he/she acts as a guarantor, endorser, or surety for loans from such institutions;
2. The spouse or child under the parental authority of the director;
3. Any person whose borrowings or loan proceeds were credited to the account of, or used for the benefit of a director;
4. A partnership of which a director, or his/her spouse is the managing partner or a general partner owning a controlling interest in the partnership; and
5. A corporation, association or firm wholly-owned or majority of the capital is con tributed by any or a group of persons mentioned in the foregoing items 1, 2, and 4. The disqualification shall be in effect as long as the delinquency persists. (Recommendation 2.6, Revised CCG for ICRCs)

4. MEETINGS

4.1 Organizational and Regular Meetings

The Board of Directors shall meet for the purpose of organization, the election of officers and the transaction of other business, as soon as practicable after each annual election of directors at the stockholders meeting duly called for this purpose.

In addition to the organizational meeting, the Board of Directors shall hold meetings as reasonably required from time to time on such dates and places as the Chairman shall declare, or upon the request of a majority of the Directors and shall likewise schedule the following regular board meetings annually: (i) a meeting to discuss the budget of the Company; (ii) a meeting to discuss the strategy of the Company; and (iii) two meetings to discuss general matters relating to the Company. (Section 6, By-Laws)

4.2 Special Meeting

Special meetings of the Board of Directors shall be held when called by the Chairman, or by the Secretary at the request of a majority of the directors. No action may be taken on a matter at any meeting of the Board unless such matter is specially referenced in the notice of such meeting. (Section 7, By-Laws)

4.3 Board Operation

Meetings of the Board shall be chaired by the Chairman. If the Chairman is absent from any meeting, the directors present may appoint any one of them to act as chairman for the meeting.

Except as otherwise provided by applicable laws or otherwise expressly provided in the Company's By-laws, all business of the Company and decisions of the Board at a meeting at which there is a quorum shall be determined by a resolution passed by a majority vote of the directors present and entitled to vote on matters brought before the Board of Directors. The Chairman shall not be entitled to a second or casting vote. (Section 4, By-Laws)

A director who has a potential interest in any related party transaction must recuse from voting on the approval of the related party transaction without prejudice to compliance with the requirements of Section 31 of the Revised Corporation Code. (Section 52, Revised Corporation Code)

4.4 Remote Participation

Directors who cannot physically attend or vote at board meetings can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate. However, directors cannot attend or vote by proxy at board meetings.

If a director or trustee intends to participate in a meeting through remote communication, he/she shall notify in advance the Presiding Officer and the Corporate Secretary of his/her intention. The Corporate Secretary shall note such fact in the Minutes of the meeting. (Section 4, SEC Memorandum Circular No.6, Series of 2020)

4.5 Quorum

At any meeting of the Board of Directors, the attendance throughout the meeting of a majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of business. Except when otherwise provided by law, the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors.

4.6 Attendance

The directors should attend and actively participate in all meetings of the Board, except when justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent them from doing so. The director should review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.

The absence of a director in more than fifty percent (50%) of all regular and special meetings of the Board during his/her incumbency Is a ground for disqualification in the succeeding election, unless the absence is due to illness, death in the immediate family, serious accident or other unforeseen or fortuitous events. (Recommendation 4.1, Revised CCG for ICRCs)

5. APPOINTMENT OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman of the Board (Chairman) and the CEO shall be elected from members of the Board of Directors. The other officers need not be directors or stockholders of the Company.

6. ROLES AND RESPONSIBILITIES OF THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

The Chairman and CEO collectively are responsible for the leadership of the Company. The Chairman's primary responsibility is for leading the Board and ensuring its effectiveness while the CEO is responsible for running the Company's business.

The positions of the Chairman and the CEO shall be held by different individuals, and their roles are separate and distinct from each other to achieve a balance of authority, clear accountability, and better capacity for independent decision making. (Recommendation 5.4, Revised CCG for ICRCs)

6.1 Roles and Responsibilities of the Chairman

The roles and responsibilities of the Chairman include, among others, the following:

(a) Provides leadership in the Board by ensuring effective functioning of the Board, including maintaining a relationship of trust with board members;

(b) Ensures that the Board takes an informed decision through a sound decision making process, encourages and promotes critical discussions, make sure that dissenting views are expressed and fully considered within the decision-making process;

(c) Makes sure that the meetings of the Board are held in accordance with the By-laws of the Company;

(d) Ensures that the Board exercises strong oversight over the Company's business and performance of Management to minimize if not eliminate issues that may affect its reputation in the market place;

(e) Makes certain that the meeting agenda focuses on strategic matters, including the over-all risk appetite of the Company, considering the development in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;

(f) Guarantees that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;

(g) Facilitates discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors;

(h) Ensures that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;

(i) Assures availability of proper orientation for first-time directors and continuing training opportunities for all directors; and

(j) Makes sure that performance of the Board is evaluated at least once a year and discussed/followed up on. (Recommendation 2.3, Revised CCG for ICRCs)

6.2 Roles and Responsibilities of the CEO

The roles and responsibilities of the CEO are as follows:

(a) Determines the Company's strategic direction and formulates and implements its strategic plan on the direction of the business;

(b) Communicates and implements the Company's vision, mission, values and overall strategy and promotes any organization or stakeholder change in relation to the same;

(c) Oversees the operations of the Company and manages human and financial resources in accordance with the strategic plan;

(d) Has a good working knowledge of the Company's industry and market and keeps up-to-date with its core business purpose;

(e) Directs, evaluates and guides the work of the key officers of the Company;

(f) Manages the Company's resources prudently and ensures a proper balance of the same;

(g) Provides the Board with timely information and interfaces between the Board and the employees;

(h) Builds the corporate culture and motivates the employees of the Company; and

(i) Serves as the link between internal operations and external stakeholders. (Recommendation 5.4, Revised CCG for ICRCs)

The President of the Company may also be appointed as the CEO.

7. COMMITTEES OF THE BOARD

In accordance with the Articles of Incorporation and By-Laws of the Company, the Board may from time to time establish Committees to assist the Board in carrying out its responsibilities. The Committees are required to make recommendations to the Board but do not have executive power to bind the Company.

The Board is responsible for approving and reviewing the terms of the Committees' Charters, which shall state in plain terms their respective purposes, memberships, structures, operations, reporting processes, resources and other relevant information. The Charters should provide the standards for evaluating the performance of the Committees. It should also be fully disclosed on the Company's website. (Recommendation 3.6, Revised CCG for ICRCs)

As a minimum, the Board shall establish an Audit and Risk Oversight Committee and a Corporate Governance and Related Party Transactions Committee and it shall adopt charters for these committees.

8. TENURE AND BOARD SUCCESSION PLANNING

8.1 Term

Directors shall be elected for a term of one (1) year from among the registered stockholders of the Company. Each director and trustee shall hold office until the successor is elected and qualified. A director who ceases to own at least one (1) share of stock shall cease to be such director. (Section 22, Revised Corporation Code)

8.2 Tenure

The Board's independent directors should serve for a maximum cumulative term of nine years. After which, the independent director should be perpetually barred from re-election as such in the Company, but may continue to qualify for nomination and election as a non-independent director.

In the instance that the Company wants to retain an independent director who has served for nine years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting. (Recommendation 5.3, Revised CCG for ICRCs)

9. INDEPENDENT DIRECTORS AND NON-EXECUTIVE DIRECTORS

9.1 Independent Directors

An independent director is a person who, apart from shareholdings and fees receive from the Company, is independent of Management and free from any business or other relationship which could, or could reasonably be perceived to materially interfere with the exercise of independent judgment in carrying out the responsibilities as a director. Independent directors are elected by the shareholders present or entitled to vote in absentia during the election of directors. Independent directors shall be subject to rules and regulations governing their qualifications, disqualifications, voting requirements, duration of term and term limit, maximum number of board membership and other requirements that the IC and/or Securities and Exchange Commission will prescribe to strengthen their independence and align with international best practices. (Section 22, Revised Corporation Code)

Qualifications

An independent director shall be any person who:

(a) is not or was not a director, officer or employee of the Company, its subsidiaries, affiliates or related companies during the past three (3) years counted from the date of his election/appointment;

(b) is not or was not a director, officer or employee of the Company's substantial stockholders and their related companies during the past three (3) years counted from the date of his election/appointment;

(c) is not an owner of more than two percent (2%) of the outstanding shares or a stockholder with shares of stock sufficient to elect one seat in the Board of the Company, or in any of its related companies or of its majority corporate shareholders;

(d) is not a relative by affinity or consanguinity within the fourth (4^{th}) civil degree of a director, officer or a stockholder holding shares of stock sufficient to elect one (1) seat in the board of the Company or any of its related companies or of any of its substantial stockholders;

(e) is not acting as a nominee or representative of any director or substantial shareholder of the Company, any of its related companies or any of its substantial shareholders;

(f) is not or was not retained as professional adviser, auditor, consultant, agent or counsel of the Company, any of its related companies or any of its substantial shareholders, either in his personal capacity or through his firm during the past three (3) years counted from the date of his election/appointment;

(g) is independent of Management and free from any business or other relationship, has not engaged and does not engage in any transaction with the Company or with any of its related companies or with any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arm's length and could not materially interfere with or influence the exercise of his judgment;

(h) was not appointed in the Company, its subsidiaries, affiliates or related companies as Chairman "Emeritus", "Ex-Officio", Directors, Officers or Members of any Advisory Board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities during the past three (3) years counted from the date of his appointment;

(i) is not affiliated with any non-profit organization that receives significant funding from the Company or any of its related companies or substantial shareholders; and

(j) is not employed as an executive officer of another company where any of the Company's executives serve as directors.

An independent director who is a member of any committee that exercises executive or management functions that can potentially impair such director's independence cannot accept membership in committees that perform independent oversight/control functions such as the Board Audit, Board Risk Oversight and Corporate Governance Committee. (Recommendation 5.2, Revised CCG for ICRCs)

Appointment of Lead Director

The Board should designate a lead director among the independent directors if the Chairman of the Board is not independent, including if the positions of the Chairman of the Board and CEO are held by one person.

In cases where the Chairman is not independent and where the roles of Chairman and CEO are combined, putting in place proper mechanisms ensures independent views and perspectives. More importantly, it avoids the abuse of power and authority, and potential conflict of interest. A suggested mechanism is the appointment of a strong "lead director" among the independent directors. This lead director has sufficient authority to lead the Board in cases where Management has clear conflicts of interest. The functions of the lead director include, among others, the following:

(a) Serves as an intermediary between the Chairman and the other directors when necessary;

(b) Convenes and chairs meetings of the non-executive directors; and

(c) Contributes to the performance evaluation of the Chairman, as required. (Recommendation 5.5, Revised CCG for ICRCs)

9.2 Non-Executive Directors

The non-executive directors should have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the Company. The meetings should be chaired by the lead independent director. (Recommendation 5.7, Revised CCG for ICRCs)

9.3 Acceptance of Directorship in Other Companies

In addition to any review by the Board of the time commitment required from Directors to properly exercise their powers and discharge their duties as Directors and/or members of Committees, a Non-Executive Director should continually evaluate:

(a) the number of boards of companies, and any committees of those boards, on which the Non-Executive Director serves; and

(b) any other professional commitments of the Director,

to ensure that each Company can be given the time and attention to detail required to properly exercise the Director's powers and discharge the Director's duties to that Company.

The Chairman shall notify the Board, and any other Non-Executive Director shall notify the Chairman, in writing prior to accepting an invitation to become a director of any company (other than the Company or any related body corporate of the Company). Prior to accepting such an invitation, the Director must have regard to:

(a) the views and wishes of the Chairman on the Director acting simultaneously as a Director of the Company and as a director of another company (whether in competition with the Company or not);

(b) any current policies of the Board on multiple directorships; and

(c) developing best practice standards on multiple directorships.

An Executive Director shall not accept an invitation to become a director of any company (other than the Company or any related body corporate) without the prior approval of the Board.

10. INDEPENDENT ADVICE

Each Director may, with the prior written approval of the Chairman, obtain independent professional advice to assist the Director in the proper exercise of powers and discharge of duties as a Director, or as a member of a Committee, and the Company will reimburse the Director for the reasonable expense of obtaining that advice.

The Board may supplement its skill and knowledge by engaging external consultants and experts.

11. CODE OF BUSNESS CONDUCT AND ETHICS

The Board should adopt a Code of Business Conduct and Ethics, which would provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings. The Code should be properly disseminated to the Board, Management and employees. It should also be disclosed and made available to the public through the Company website. (Recommendation 7.1, Revised CCG for ICRCs)

The Code shall explicitly provide that, directors, officers, and all personnel are expected to conduct themselves ethically and perform their job with skill, due care, and diligence in addition to complying with laws, regulations, and Company policies.

The Board should ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies. (Recommendation 7.2, Revised CCG for ICRCs)

12. ACCESS TO THE CORPORATE SECRETARY AND EMPLOYEES

Each Director has a right of access to the Corporate Secretary at all times.

Any Director may:

(a) request the attendance at a meeting of the Board of any employee of the Company or a related body corporate; and

(b) subject to the law, access any document, report, material or information in the possession of an employee of the Company or a related body corporate or an external adviser of the Company.

13. INCONSISTENCY WITH ARTICLES OF INCORPORATION

Where there is any inconsistency between this Charter and the Company's Articles of Incorporation and By-laws, the Company's Articles of Incorporation and By-laws shall prevail.

14. CONFIDENTIALITY

The Directors acknowledge that all proceedings of the Board and its Committees are strictly confidential and will not be disclosed to any person other than to members of the Board, except as agreed by the Board or as required by law.

15. REVIEW OF CHARTER

The Board will regularly review the Board Charter and the charters of any Committee established by the Board to ensure that they meet accepted good governance standards and the needs of the Company and the Board.