

CORPORATE GOVERNANCE COMMITTEE CHARTER

Section 1 – Purpose

PHILOSOPHY AND PURPOSE

The Corporate Governance Committee is the Committee tasked to assist the Board of Directors in fulfilling its corporate governance responsibilities¹. Thus, it shall ensure the Board's effectiveness and due observance of sound corporate governance principles and guidelines. The Committee believes that sound and effective corporate governance practices constitute the cornerstone of the BPI MS' strength and long term existence and the key to enhancing long term shareholders' value.

Section 2 – Committee Membership

The Committee shall consist of at least three (3) members of the Board of Directors, who shall all be Non-Executive Directors, majority of whom shall be independent directors, including the chairperson². All members of the Committee shall be appointed and replaced by the Board of Directors who shall designate one (1) member of the Committee as Chair. The Committee may create subcommittees when necessary provided that such subcommittees shall be composed only of Committee members. All actions taken by the subcommittees shall be reported to the Committee and subject to ratification by the Committee.

Section 3 – Meetings and Consent Resolution³

The Committee shall hold meetings at least once every quarter or as may be necessary to fulfill its responsibilities but not less than once a year. A quorum at any Committee meeting shall consist of a majority of its members. The Corporate Secretary of the Board shall take down minutes of the meetings and submit the same to the Board for ratification. The Chairman and the Secretary shall establish the agenda for each meeting but any Committee member may recommend the inclusion of other items. Where necessary or desirable, the Committee may invite other members of the Board or officers of BPI MS to attend its meetings and may engage outside advisors to act as consultants to the Committee.

Action required or permitted to be taken by the Committee may be taken without or in lieu of a meeting by written consents, identical in content, setting out the action taken and signed by all the members of the Committee. The written consents shall have the same effect as a unanimous vote and may be made in electronic counterparts to cover consents given through separate emails and/or iterations in proposals until the final, ultimate consent is given. The written consents shall be documented as minutes of action.

Section 4 – Minutes of the Meetings or Action⁴

For matters approved through unanimous consent resolution, the Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous consent (i.e. minutes of action). The Committee shall ensure that it maintain appropriate records (e.g., minutes of meetings, minutes of action or summary of matters reviewed and decisions taken). The key matters reviewed and approved by the Committees and their minutes of meetings,

¹ Revised Code of Corporate Governance for Insurance Commission Regulated Companies (ICRC), Recommendation 3.3

² Ibid

³ Approved for adoption by the Board of Directors and its various committees on December 05, 2023

⁴ Ibid



minutes of action, including agenda and supporting materials if needed, are to be presented regularly to the full Board of Directors for confirmation.

Section 5 – Compensation

The members of the Committee shall receive such compensation as may be determined and approved by the Board of Directors.

Section 6 – Duties and Responsibilities of the Committee

1. Recommend, for approval of the Board, a written Charter of the Committee that describes, among others, the duties and responsibilities of the Committee and its members. This Charter shall be reviewed for its adequacy, at least annually by the Committee and any proposed changes submitted to the Board for Approval.
2. Review the Manual of Corporate Governance, its effective dissemination and implementation on an annual basis, or more frequently if appropriate, and recommend changes for the approval of the Board, where necessary.
3. Develop and recommend for the approval of the Board a performance evaluation process of the Board and its committees and executive management for the purpose of, among others, assessing their effectiveness in enhancing shareholder value. The evaluation should be of the Board's and the Committees' contribution and performance as a whole and their compliance with their duties and responsibilities under the Manual of Corporate Governance.
4. To ensure that the Board of Directors accomplishes annually the self-assessment forms to evaluate the performance of the Board of Directors as a body, as well as its various committees, the CEO and individual directors. This exercise shall cover the assessment of the ongoing suitability of each board member taking into account his or her performance in the Board of Directors and board-level committees. When a director or officer has multiple positions, the committee should determine whether or not said director or officer is able to and has been adequately carrying out his/her duties and, if necessary, recommend changes to the Board based upon said performance/review. Internal guidelines shall be adopted that address the competing time commitments that are faced when directors serve on multiple boards. The Corporate Governance Committee may coordinate with external facilitators in carrying out board assessment, within the frequency approved by the entire board. The Corporate Governance Committee shall also decide whether or not a director is able to and has been adequately carrying out his/her duties as director based on its own assessment or the assessment of external facilitators, bearing in mind the director's contribution and performance (e.g., competence, candor, attendance, preparedness and participation).
5. Conduct a self-evaluation of its performance as a Committee in such manner as the Committee deems appropriate.
6. Review and deliberate the BPI MS' Corporate Governance Scorecard prescribed by regulatory authorities and those by private entities advocating good corporate governance practices.
7. Recommend comprehensive orientation programs for new directors and, from time to time, continuing education programs for directors when appropriate. The orientation program for first time directors shall be for at least eight (8) hours while the annual continuing training shall be at least for four (4) hours, on topics relevant in carrying out their duties and responsibilities as directors.
8. Oversight on the design and operation of the remuneration and other incentives policy is delegated by the Board of Directors to the Personnel and Compensation Committee. If called upon by the Personnel and Compensation Committee, the Corporate Governance Committee may make recommendations



on matters relating to succession planning and remuneration for the Chief Executive Officer and other senior officers.

9. Oversight on the nomination process for members of the Board of Directors and for positions appointed by the Board of Directors has been delegated by the BPI MS Board to the Nomination Committee. The Corporate Governance Committee may make recommendations to the Nomination Committee on the review and evaluation of qualifications of all persons nominated to the Board, the assignment of directors to board committees, board succession planning and positions requiring appointment by the Board of Directors.
10. Develop and recommend a process to ensure the Board's observance of corporate governance principles and guidelines as embodied in the Manual of Corporate Governance.
11. Perform such additional duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board from time to time.

Section 6 – Duties and Responsibilities of the Members of the Committee

1. Accept the responsibility for creating and enhancing shareholder value and ensuring the long term success and viability of BPI MS.
2. Devote the necessary time and attention to properly discharge the duties and responsibilities as members of the Committee.
3. Exercise sound and independent judgment at all times and ensure that personal interests do not bias any decision or action taken, or conflict with BPI MS' interest.
4. Understand, internalize and observe the core values of BPI MS.
5. Maintain a good working knowledge and understanding of the various businesses of BPI MS, the risks attendant to those businesses and the risk management and control systems appropriate for such businesses.
6. Be knowledgeable of the statutory and regulatory requirements affecting BPI MS including the requirements of the Insurance Commission (IC), The Articles of Incorporation and By-Laws, and the Manual of Corporate Governance.
7. Act with full transparency, fairness, independence and sound judgment.
8. Observe confidentiality over all matters taken up by the Committee or any information acquired by reason of membership in the Committee. Disclosure of any such information should be with the written consent of the Committee.