

**APC GROUP INC.**  
**CORPORATE GOVERNANCE COMMITTEE CHARTER**

This Charter establishes the purpose, composition, authority, responsibilities and operations of the Corporate Governance Committee (the “Committee”).

**1. PURPOSE**

The Committee assists and advises the Board of Directors (the “Board”) in performing corporate governance compliance responsibilities in relation with the Company’s Manual on Corporate Governance, the Philippine Code of Corporate Governance, and disclosure rules of the Securities and Exchange Commission and the Philippine Stock Exchange, Inc.

**2. COMPOSITION**

The Committee shall consist of at least three (3) members of the Board of Directors, all of whom should be independent directors, including the Chairman.

**3. MEETINGS**

The Committee shall meet at least two (2) times a year. The Committee may invite members of Management or others to attend meetings and provide pertinent information, as necessary.

The Committee Secretary, under the direction of the Committee Chairperson, shall prepare the agenda and provide the Committee Members advance notice of meetings, the agenda, along with appropriate briefing materials. Minutes of the meeting shall be provided to the members within days after the said meeting.

**4. RESPONSIBILITIES**

The Corporate Governance Committee shall have the following duties and responsibilities.

- 4.1. Manages the execution of the corporate governance framework and regularly evaluates the same so that it continues to be applicable in view of the changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments.
- 4.2. Manages the regular performance assessment of the Board, its committees as well as executive management, and administers an annual self-assessment of its performance;
  - 4.2.1. Ensures that the results of the Board assessment are communicated, brought up and that specific action plans are developed and carried out for the betterment of the areas for improvement;

- 4.3. Suggests continuing education and training programs for directors, assignment of tasks / projects to the board committees, succession planning for the board members and senior officers and remuneration packages for corporate and individual performance;
  - 4.3.1. Introduces and proposes pertinent trainings for the board members
- 4.4. Endorses corporate governance policies and establishes that they are regularly checked and amended, and constantly carried out in form and substance.
- 4.5. Regulate the nomination and election process for the Company's directors and has the special duty of ascertaining the general profile of board members that the Company may need and assuring appropriate knowledge, competencies and expertise that supplement the existing skills of the Board;
- 4.6. Undertakes the process of identifying the quality of directors aligned with the company's strategic direction;
- 4.7. Submit to the Board of Directors its recommended final list of candidates. All approved nominees are recommended for election or re-election as Directors at the next stockholders' meeting or Board meeting, as the case may be.
- 4.8. Perform other activities related to this Charter as requested by the Board;
- 4.9. Review and assess the adequacy of the Committee Charter annually, requesting Board approval for any proposed changes, and ensure appropriate disclosure as may be required by law or regulation; and
- 4.10. Evaluate the Committee's and individual members' performance on a regular basis.

## **5. REPORTING RESPONSIBILITIES**

- 5.1. Regularly report to the Board the Committee's activities, findings, decisions, deliberations and recommendations.
- 5.2. Provide an open avenue of communication between and among the Chief Risk Officer, the Compliance Officer, and the Board.
- 5.3. Review any other reports the Company issues that relate to the Committee responsibilities.

## **6. RESOURCES**

The Committee is authorized to hire independent advisors, and to secure the attendance of such advisors if it is considered necessary for the proper performance of the Committee functions under this Charter.

## **7. ANNUAL REVIEW OF CHARTER**

The Committee shall conduct an annual review of this Charter and propose any enhancements as may be deemed necessary for Board approval.

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Reviewed and approved by Corporate Governance Committee on 22 February 2021