



# **AIG Philippines Insurance Inc. Nominating and Corporate Governance Committee Charter**

**Approved on: July 27, 2021**



## 1. Purpose

- 1.1. The Nominating and Corporate Governance Committee (“**Committee**”) is tasked with ensuring compliance with and proper observance of corporate governance principles and practices and shall assist the Board of Directors (“**Board**”) of AIG Philippines Insurance, Inc. (“**Company**”) in fulfilling its duties and responsibilities by:
- a) Ensuring the establishment of procedures for the selection and recommendation of candidates suitable for appointment to the Board as well as to other positions requiring appointment by the Board such as but not limited to the President and head of the control functions (i.e Compliance, Risk, Audit).
  - b) Ensuring that the Board is comprised of individuals who are best able to discharge the responsibilities of a Director.

## 2. Composition and Term of Office

- 2.1. The Committee shall consist of at least three (3) members of the Board, majority of whom shall be independent directors. The Chairman shall be an independent director.
- 2.2. The Chairman and members of the Committee shall be elected by the Board and shall serve until their successors are determined and qualified.
- 2.3. For the appointment of the Chairman, the Committee should prepare job specifications, including an assessment of the time commitment expected of him, recognizing the need for his availability in the event of crisis. The Chairman’s other significant commitments shall also be disclosed to the Board before his appointment. Any change thereof shall be reported to the Board.
- 2.4. All members are eligible for re-election.
- 2.5. The terms and conditions of appointment of non-executive directors shall be made available for inspection. The letter of appointment shall specify the expected time commitment. They shall undertake sufficient time to meet and do what is expected of them. Their other significant commitments shall be disclosed to the Board before



appointments, indicating the timelines and in any case, the Board shall be informed of subsequent changes.

- 2.6. The Committee shall consider the following guidelines in the determination of the number of directorship for the Board:
- a) The nature of the business of the corporation, where he is a director;
  - b) Age of the director;
  - c) Number of directorship/active memberships and officerships in other corporations or organizations; and
  - d) Possible conflicts of interest.

### **3. Responsibilities**

3.1 The Committee shall have the following responsibilities:

- a) Annually evaluate and report to the Board on the performance and effectiveness of the Board and conducts an annual self-assessment of its performance.
- b) Ensure that the results of the Board evaluation are shared, discussed and concrete actions plans are developed and implemented to address the identified areas for improvement.
- c) Conduct an annual assessment of the range of skills, experience and expertise required to become a member of the Board;
- d) Recommend to the Board how the skill set of existing Directors can be enhanced;
- e) Make recommendations to the Board relating to the appointment and retirement of Directors;
- f) Periodically review the size and composition of the Board to ensure that it is structured to make appropriate prompt decisions;
- g) Assess the effectiveness of the various committees established by the Board;



- h) Establish and review Board succession plans in order to ensure smooth transition.
- i) Overseas the implementation of the corporate governance framework and periodically review the said framework to ensure that it is still appropriate in light of the material changes to the Corporations, size, complexity, strategy, business and regulatory environment;
- j) Recommend continuing education/training program for directors, assignment of tasks,/projects to board committees.
- k) Determines the nomination and election process for the company's directors and has the special duty of defining the general profile of board members that the company may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board.

#### **4. Proceedings**

- 4.1 The Committee shall meet at least once (1) each year, or as the Committee deems appropriate ~~and more frequently as the Committee considers appropriate~~ to carry out its responsibilities.
- 4.2 Any member of the Committee may request a meeting if they consider it necessary.
- 4.3 The quorum necessary for the transaction of the business of the Committee shall be two.
- 4.4 If, at any meeting, the Chairman is not present, the members present may choose one of the other members to be Chairman of the meeting.
- 4.5 In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.
- 4.6 The Corporate Secretary should ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration of the issues.
- 4.7 Minutes of proceedings of the Committee shall be recorded by the Corporate Secretary and circulated to all members of the Committee. The minutes are to be signed by the Chairman of the meeting and Corporate Secretary.
- 4.8 The Chairman of the Committee shall report on the proceedings of the Committee



to the Board.

- 4.9 The Chairman of the Committee may invite any attendees to a meeting as he/she deems appropriate including any other directors, members of management or advisers.

## **5. Review**

- 5.1 This Charter shall be reviewed and if necessary, updated annually by the Committee. Any proposed changes to this Charter shall be submitted to the Board for approval.