



**FORTUNE GENERAL INSURANCE CORP.  
CORPORATE GOVERNANCE COMMITTEE**

This Corporate Governance Committee Charter (this “Charter”) establishes the purpose, qualifications and membership, structure and operations, duties and responsibilities of the Corporate Governance Committee (the “Committee”) of Fortune General Insurance Corp. (the “Company”), and the procedures which guide the conduct of its functions.

**1. PURPOSE**

The purpose of the Committee is to assist the Board in establishing and managing governance standards, determining criteria for the composition of the Board and its committees, identifying individuals qualified to become Board members, and developing and monitoring a process to assess the effectiveness of the Board and its committees. It shall endorse recommendations to the Board as deemed appropriate and/or approve actions within its delegated authority.

**2. ORGANIZATION**

**Reporting Responsibility.** The Corporate Governance Committee shall report directly to the Board.

**Composition.** The Corporate Governance Committee shall be composed of at least three directors, two of whom are independent directors, including the Chairman.

**Committee Membership.** The Board shall appoint the members of each Board Committee annually.

**Committee Members Qualifications.** Each member of the Committee shall have the qualifications and none of the disqualifications of a Director, as set out in the Corporate Governance Manual.

**Committee Chairmanship.** The Board shall appoint one of the members of the Committee to be the Committee Chairman.

**3. STRUCTURE AND OPERATIONS**

**Meetings.** The Committee shall meet at least twice a year or as often as may be necessary.



**Notice of Meeting.** The notice and agenda for each meeting shall be circulated to all Corporate Governance Committee members at least five (5) business days before each meeting.

**Chairman.** The Committee Chairman shall preside in all meetings of the Committee. In his absence, the members present shall elect from among themselves one member to preside over the particular meeting.

**Quorum.** A quorum shall be present if a majority of the members of the Committee are present. No business shall be transacted at any meeting unless a quorum is present.

**Record of Meetings.** The Corporate Governance Committee shall cause proper records of its proceedings to be kept. Members may nominate a member or some other person to be the Committee Secretary to record and keep minutes of meetings and other proceedings.

**Other Attendees.** The Corporate Governance Committee may invite other Directors and Management Officers to attend any meeting as they deem necessary.

#### **4. DUTIES AND RESPONSIBILITIES**

The duties and responsibilities of the Committee are as follows:

- A. Oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;
- B. Oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;
- C. Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
- D. Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
- E. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- F. Proposes and plans relevant trainings for the members of the Board;
- G. 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; and
- H. Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the corporation's culture and strategy as well as the business environment in which it operates.

#### **5. REPORTING PROCESS**

The Chairman of the Committee shall render a report apprising the Board of Directors of the results of the Committee's activities following each meeting.

The Committee shall prepare an annual report of its activities to the Board for inclusion in the Company's annual report.



## **6. PERFORMANCE ASSESSMENT**

The members of the Committee shall evaluate its performance based on best practices and expectations set-out in this Charter and in related SEC Memorandum Circulars and the ASEAN Corporate Governance Scorecard concerning Corporate Governance Committees.

The Committee shall obtain and subject itself to an independent assessment by the Board of Directors based on best practices and relative to its performance in the discharge of its responsibilities as set out in this charter.

Based on the results of the performance assessment, the Committee shall formulate and implement plans to improve its performance. These may include the identification of relevant training needs intended to keep the members up to date with corporate governance best practices, accounting and auditing standards, as well as specific areas of concern.

## **7. AMENDMENT**

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.