



Armed Forces and Police Mutual Benefit Association, Inc.

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REVISED NOMINATION AND REMUNERATION COMMITTEE CHARTER (as of 1 March 2022)

I. Purpose

The Committee's purpose is to ensure that there is a Board succession plan and that the Board has a complete set of Regular and Independent Trustees based on defined competency requirements. The Committee will implement the Board Performance Evaluation and Rating System.

II. Principles of Good Governance

The Committee will adhere to the principles of good corporate governance, as enumerated in the Governance Committee Charter and the Manual of Corporate Governance.

III. Scope

The Committee will have oversight over specific AFPMBAI Strategic Objectives that may be assigned by the Board of Trustees.

IV. Authority

The Board authorizes the Committee, within the scope of its responsibilities, to:

A. Seek any information it requires from:

1. Any employee who is directed to cooperate with any request made;
2. External parties;
3. Board of Trustees, top management, line managers & supervisors, TWG.

B. Obtain outside legal or other professional advice.

C. Require the attendance of Association officers during meetings as appropriate.

The Chairman and each member of the Committee shall be entitled to rely on the integrity and expertise of those persons providing information to the Committee and on the accuracy and completeness of such information presented.

V. Resources

The Committee will have the resources and authority appropriate to discharge its responsibilities, including sole authority to engage, retain and terminate independent consultants to the Committee as it may deem necessary or helpful in carrying out its responsibilities, and to establish the fees and other terms for the retention of such consultants, such fees to be borne by the Association.

VI. Responsibilities

The Committee shall have the following responsibilities:

1. Determine the nomination and election process for the trustees and define the general profile of board members that the company may need, ensuring that there is appropriate knowledge, competencies and expertise that complement the existing skills of the Board;
2. Coordinate with various branches of service for nomination of trustees, ensuring competencies set are followed;
3. Ensure implementation of the succession plan for the Board members and senior officers, with nominees at least three (3) months prior to the end of term of an outgoing trustee/senior officer, **whenever possible**;
4. Implement the Performance Assessment of the Trustees, the President, the Corporate Secretary, and the Treasurer;
5. Establish a formal and transparent procedure to develop a policy for determining the remuneration (per diem and allowances) of trustees and officers that is consistent with the corporation's culture and strategy as well as the business environment in which it operates; and,
6. Oversee the HR policies covering AFPMBAI's Management and Employees that need to be elevated to the Board of Trustees for approval.

VII. Membership

The Committee shall be composed of members duly appointed by the Board of Trustees. The Committee Chairman and Vice Chairman shall be elected by its members and endorsed for approval of the Board of Trustees through the Governance Committee. As far as practicable, the Chairman of the Committee should be an independent trustee. Membership in the Committee shall be co-terminus with membership in the Board.

VIII. Meetings

The Committee may meet monthly, or as needed, prior to every Board meeting. Resource persons may be invited, as needed. The Board Relations Office shall take and safekeep the Minutes of the Committee's meetings.

IX. The Role of the Technical Working Group (TWG)

The TWG for the Committee shall come from the Human Resource Division and shall perform following tasks:

1. Coordinate with the Chairman to determine the agenda for the Committee meeting;
2. Coordinate the meeting with the members of the NRC and ensure that there is a quorum;
3. Perform administrative functions relative to the conduct of the Committee responsibilities;
4. Prepare and publish Minutes of the Meeting; and
5. Conduct research/studies, as required by the Committee, and present the output to the Committee.

The Chief Accountant and Head of the Strategic Management Office shall be resource persons of the TWG, while the Board Relations Office shall serve as Secretariat.

X. Board Assessment of the Committee

The Committee will be assessed based on the Performance Evaluation and Rating System approved by the Board of Trustees.

XI. Charter Review

This Charter shall be reviewed at least every two (2) years, and updated as needed. All revisions shall be submitted to the Board of Trustees for approval.

Approved by the Board of Trustees on 1 March 2022, per Board Resolution No. 017, Series of 2022.