

MAA GENERAL ASSURANCE PHILIPPINES

TERMS OF REFERENCE OF THE RETIREMENT COMMITTEE

MEMBERSHIP AND COMPOSITION

The Committee shall consist of non-executive directors only, with a minimum of three (3) directors.

The Committee shall elect a chairperson from among its members who is an independent non-executive director of the Company.

In the event that a member of the Committee resigns, dies or for any other reason ceases to be a member resulting in the number of members reduced to under three (3), the Board of Directors of MAA General Assurance Philippines Ltd (“MAAGAP”) shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

TERMS OF REFERENCE

The Committee shall be governed by the following terms of reference:-

Terms of Membership

Members of the Committee shall be appointed for an initial term of three years (3) after which they will be eligible for re-appointment.

Meetings

The Committee shall meet at least once a year to review the retirement packages of the chief executive officer, key senior officers and employees of the Company.

In addition, the chairperson shall convene a meeting of the Committee if requested to do so by any member or the Board of Directors to consider any matters within the scope and responsibilities of the Committee.

A member of the Committee shall abstain from participating in discussions and decisions on matters directly involving him to avoid a conflict of interest situation.

A resolution in writing signed by all the members of the Committee shall be as valid and effectual in all respects as if it has been passed at a meeting of the Committee duly convened.

Attendance at Meetings

The Committee may invite any persons to be in attendance to assist in its deliberations.

Secretary to the Committee

The Committee is entitled to the services of a company secretary ("Secretary").

The Secretary of the Committee shall be appointed by the chairperson. The Secretary shall be responsible for drawing up the agenda in consultation with the chairperson and shall be responsible for keeping the minutes of the meeting of the Committee, circulating them to Committee members. The agenda together with relevant explanatory papers and documents shall be circulated to Committee members prior to each meeting.

Quorum

A quorum shall consist of at least two (2) Committee members.

Authority

The Committee is authorised by the Board of Directors to undertake the specific duties and responsibilities stated below. It has free access to all information and documents it requires for the purpose of discharging its duties and responsibilities.

The Committee is also authorised to obtain external legal or other independent professional advice, as it considers necessary.

Duties and Responsibilities

The Committee shall be responsible for:-

- (i) recommending a framework of retirement for chief executive officer, key senior officers and employees of the Company. The retirement policy shall:
 - (a) be documented and approved by the full board of the Company in the case of retirement policy for the Company, and any changes thereto should be subject to the endorsement of the full board of the Company, as the case may be;
 - (b) be able to comply to the requirements imposed by existing labor laws;
 - (c) be sufficient to attract and retain chief executive officer, key senior officers and employees of the company; and
 - (d) be balanced against the need to ensure that the funds of the Company are not used to subsidise excessive retirement packages.
- (ii) recommending specific retirement packages for chief executive officer and key senior officers of the Company. The retirement packages shall:
 - (a) be based on an objective consideration and approved by the full board;
 - (b) take due consideration of the assessments of the nominating committee of the effectiveness and contribution of the chief executive officer or key senior officer concerned;
 - (c) not be decided by the exercise of sole discretion of any one individual or restricted group of individuals; and

- (d) be competitive and is consistent with the Company's culture, objective and strategy.
- (iii) undertaking such other matters as the Board of Directors thinks fit.

Report to Board of Directors

The Committee is not a decision making body and shall report its recommendation to the full board of the Company, as the case may be, for the final decision.