

BOARD DIVERSITY AND INCLUSION COMMITTEE CHARTER

(First adopted on 10 April 2018 and last amended on 28 May 2022)

1. PURPOSE

The Institute of Corporate Directors values the benefits that diversity and inclusion can bring to Boards of Philippine corporations and other entities. Diversity promoted the inclusion of different perspectives and ideas, mitigates against groupthink and improves oversight, decision-making, and governance. Diversity on the Board also demonstrates the organization's commitment to diversity at all levels within the Company.

For the purpose of this Charter, diversity includes business experience and expertise, gender, age, and other relevant factors. The promotion of diversity is best served through careful consideration of all of these factors in the light of the needs of the Board to oversee collectively the business of the Company without focusing on a single diversity characteristic.

2. FUNCTION AND RESPONSIBILITIES

The Board Diversity and Inclusion Committee ("Committee") contributes to fulfilling ICD's advocacy of promoting board diversity and inclusion in Philippine corporations by:

- Establishing cooperation and partnership with other related organizations in promoting male and female champions of board diversity and inclusion;
- Advocate to Regulators, Board directors, business associations, and professional organizations best practices on board diversity and inclusion;
- Undertake relevant studies, surveys or dialogue in advancing board diversity and inclusion; and
- Monitor performance of Philippine publicly-listed companies and other entities imbued with public interest on board diversity and inclusion using metrics to measure accomplishment and progress.

The core activities of the Committee are as follows:

- a. Serve as the Focus Group of ICD in championing board diversity and inclusion.
- b. Engage regulators, corporate stakeholders, local and international partner organizations to advocate board diversity and inclusion in Philippine corporations, particularly publicly listed companies and other entities imbued with public interest.
- c. Develop an annual plan and set priorities to achieve its objectives.
- d. Implement relevant programs and activities and monitor its progress and process.

3. COMMITTEE STRUCTURE AND MEMBERSHIP

The Board of Trustees establishes the Committee with the following terms and considerations:

- a. The Committee shall be composed of ICD Fellows and members of good standing, minimum of ten (10) but not exceeding fifteen (15);
- b. The members of the Committee shall have a maximum term of three (3) years;
- c. The Chairmanship of the Committee shall be approved by the Board of Trustees on the basis of nominations put forth by the ICD President and the CEO;
- d. The Chairperson is preferred to have served at least two (2) years as a committee member and have served on the committee within the prior years;
- e. The Chairperson shall be responsible for setting the meeting agenda of the Committee;
- f. The Committee may form sub-committees for specific objectives and delegate authority as deemed appropriate from time to time under the circumstances; and
- g. The CEO shall sit as an ex-officio member of the Committee.

4. COMMITTEE MEETINGS AND COMMITMENTS

- a. The Committee shall meet at least quarterly, virtual or face-to-face. As deemed necessary, special meetings may also be called by the Chairperson to meet responsibilities in appropriate timeframes.
- b. Each member of the Committee accepts his or her membership in the Committee with the commitment to attend at least 90% of all Committee meetings. The use of remote communications for Committee proceedings shall be encouraged to ensure the availability and participation of all members of the Committee.
- c. Unless otherwise changed by the consensus of its members, the Committee shall meet every 4th Monday of January, April, July, and October.
- d. The Chairperson of the Committee shall render an annual report to the Board of Trustees and progress report as may be requested.

5. ANNUAL REVIEW OF CHARTER

The Charter of the Board Diversity and Inclusion Committee shall be formally approved by the ICD Board of Trustees.

At least annually, the Committee will review and reassess the adequacy of this Charter and recommend any proposed changes to the Board of Trustees for approval.

