

**BALAI NI FRUITAS INC.**  
**CORPORATE GOVERNANCE COMMITTEE CHARTER**

**1. PURPOSE**

The Board establishes a Corporate Governance Committee that should be tasked to assist the Board in the performance of its corporate governance responsibilities. It shall be composed of at least three (3) members, all of whom should be independent directors, including the Chairman.

**2. COMPOSITION**

The Committee shall consist of at least three (3) voting members who are members of the Board of Directors (all of which shall be Independent Directors), at the annual organizational meeting of the Board, and shall serve as such for a term of one (1) year, or until the next annual organizational meeting, unless removed or replaced by the Board.

Any vacancy shall be filled by the vote of at least a majority of the remaining Board of Directors. The appointed member shall serve only for the unexpired term of his/her predecessor in office or until his successor shall have been duly elected and qualified.

The Corporate Secretary of the Company shall serve as the Secretary of the Committee during its meetings.

**3. AUTHORITY, DUTIES AND RESPONSIBILITIES**

The Corporate Governance Committee (CG Committee) is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. It has the following duties and functions, among others:

- a. Oversees the implementation of the corporate governance framework and periodically review 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.

#### **4. STRUCTURE AND OPERATIONS**

Special meetings of the Committee may be held from time to time, as required, or called by the Committee's Chairperson, at a time and place determined by them.

A majority of the Committee members shall constitute a quorum at any meeting. If a quorum is present, the Committee may take action through the vote of a majority of the members who are in attendance.

The Chairperson of the Committee shall preside in all meetings.

The Company's Corporate Secretary shall be the Secretary of the Committee, who, under the direction of the Committee Chairperson, shall prepare the notice of the meeting and agenda and provide the Committee members with appropriate briefing materials. The Corporate Secretary shall also record the full minutes of the meeting. It shall be the duty of each Committee member to review meeting materials, and if called for, ask necessary and relevant questions or clarifications and explanations.

As it deems necessary, the Committee may invite members of Management or other personnel to attend meetings and provide pertinent information or data on matters for discussion during the Committee meeting.

The Committee shall be provided with sufficient resources by the Company to discharge its duties.

## **5. CHARTER AMENDMENTS**

The Committee shall regularly review and assess the adequacy of this Charter and propose any changes, as necessary, for Board approval.