

**MINUTES OF MEETING
CORPORATE GOVERNANCE COMMITTEE of the BOARD
BETHEL GENERAL INSURANCE AND SURETY CORPORATION
May 27, 2024, 9:30 A.M., Bethel Gen Conference Room**

PRESENT:

Ms. Vida T. Chiong	Chairperson
Ms. Dominga G. Garcia	Member

Resource persons:

Mr. Rudy E. Mahinay, Jr.	Compliance Officer and AVP-Finance
Ms. Antonette Serapio	HR and Compliance Asst. Manager
Atty. Rozaire G. Ombao-Bagares	Minute taker (Corporate Secretary)

CALL TO ORDER

The Meeting was called to order by the Chairperson of the Committee at 9:30 A.M. on May 27, 2024, at the Bethel Conference Room, located at the Bethel General Insurance - Head Office. Atty. Ombao took the minutes of the meeting.

SERVICE OF NOTICE AND DETERMINATION OF QUORUM

The Corporate Secretary reported that, following the provisions of the Corporation Code and the Amended By-Laws of the Company, written notice of the meeting was served to all members of the Committee. The majority of the members of the committee are present to validly transact business at today's meeting.

**PROPOSED SUBMISSION FOR ACGR (ASEAN Corporate Governance Report)
covering operations in 2023**

The Compliance Team prepared an Annual Report which is to be uploaded to the company website. This was decided to facilitate the verification to be conducted by the Institute of Corporate Directors or ICD, after the submission of the ACGR. In the said annual report, all the answers to the scorecard will be included. Aside from uploading it to Bethel Gen's website, Ms. Chiong suggested preparing a hard copy of the annual report for distribution to the branches and key officers.

On the company website's homepage, announcements or updates related to the company operations are placed on the first page. Under the "About Us" tab is the "Corporate Governance" page, where the files corresponding to the answers to the ACG scorecard will be posted three to five days after submission to the Insurance Commission (IC). The Audited Financial Statements as of December 31, 2023, and Annual Statements will also be uploaded on the page.

The Corporate Governance Manual was updated by Ms. Antonette Serapio; it now includes the updated shareholder's rights, the approval of the Board in the appointment of

the Chief Audit Executive or CAE, and the duties and responsibilities of the CAE. Ms. Chiong reminded the group to take note of the positions that need the approval of the Board.

For the increase in compensation of the members of the Board, Ms. Chiong recommended that it should be addressed or discussed, and thereafter recommended, by the Compensation Committee of the Board. The "About Us" tab on the company website further contains the profile of each member of the Board of Directors.

The Corporate Governance Policies include a Board Succession Policy. Atty. Ombao mentioned that the Board Succession Policy discusses retirement age for members of the Board (80 years old) and transfer of Corporate Leadership. Ms. Chiong suggested improving the said policy. Also part of the Corporate Governance Policies is the evaluation of the Board and the CEO. The company has adopted in April 2021 a Policy on Performance and Assessment of Directors and Key Officers. Atty. Ombao informed the committee that for 2024, hard copies of the "BOARD OF DIRECTORS SELF-ASSESSMENT QUESTIONNAIRE FORM" and the form for "Key Accountabilities/Performance Evaluation for the President & CEO" will be provided to the directors. The President recommended another sheet for the performance evaluation of the Executive Vice-President and General Manager since there are overlapping functions. Last year, the Board self-evaluation and the evaluation of the CEO's performance was done thru Google Poll (online).

Ms. Chiong inquired about the regular schedule of the Board Meetings. Atty. Ombao explained that the Board Calendar finalized and approved last December 2023 states that the Board must meet at least four times a year, but the ICD, in April 2024, suggested that Board Meetings must now be at least six times a year. Ms. Chiong suggested reminding the Board that the Board meeting schedule must be observed. The goal is to have 6 Board Meetings per year. In addition, Ms. Chiong reminded that the Compliance Officer, Mr. Rudy Mahinay Jr., should be present in all Committee meetings. Ms. Garcia requested if the Board can have the minutes of the Executive Committee meetings. Ms. Chiong suggested that instead of the minutes, perhaps a summary of the matters discussed in the Execom will suffice.

Regarding the Internal Audit mechanism of the company, Ms. Chiong informed the committee that the Internal Auditor, Mr. Marlon Lim, must submit to the Board the process flow of his internal audit program, for the information of the Board. The ERM policy of the company must be discussed with the Board once it is finalized.

For the Board Committees, Ms. Chiong recommended that the Independent Directors be the Chairpersons of the Committees and the members be the non-executive officers. The Audit Committee will handle the Risk Oversight Function and Related Party Transactions while the Corporate Governance Committee will handle the Nomination and Remuneration functions.

On the recommendation for Disclosure and Transparency, the annual compensation of the Directors is disclosed but in aggregate amount.

For the question about the Corporation's Alternate Dispute Mechanism, the source document will be the Corporate Governance Manual. However, the decision on whether to refer it to Alternate Dispute Resolution is with the Board of Directors. In addition, a whistle-blowing policy is included in our Corporate Governance Manual and all whistle-blowing incidents shall be referred to the Board of Directors as well. The Transparency Framework

and Process allows the stakeholders to communicate with the Corporation and includes the Anti-Bribery and Anti-Corruption Policy.


Lastly, a revised Employees' Code of Conduct will be published before the end of 2024.

After the committee's suggestions are adopted and applied to the scorecard, the Committee shall approve and recommend the filing of the scorecard to the Insurance Commission.

ADJOURNMENT

There being no other matters to be taken up, the meeting was adjourned at 1:30 p.m.

Certified Correct:


ATTY. ROZAIRE S. Ombao-BAGARES
Corporate Secretary