

## **Board Committees Charter**

### **1. The Nomination Committee**

- **Composition** - The Nomination Committee shall be composed of the Chairman of the Board, an independent director and another director to be selected by the Board of Directors.
- **Duties and Responsibilities** - The Nomination Committee shall review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors.

### **2. The Compensation and Remuneration Committee**

- **Composition** - The Compensation and Remuneration Committee shall be composed of the Chairman of the Board, an Independent Director and a Director to be selected by the Board.
- **Duties and Responsibilities**
  1. Establish a formal and transparent procedure for developing a policy on executive remuneration of corporate officers and directors to ensure that their compensation is consistent with the corporation's culture, strategy and business environment in which it operates. No director should participate in deciding on his remuneration.
  2. Designate an amount of remuneration which shall be sufficient to attract and retain qualified and competent directors and officers who are needed to run the company successfully.
  3. Provide in the corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation that may be paid, directly or indirectly, to its directors and top four (4) management officers during the preceding fiscal year.
  4. Any member of this committee shall inhibit himself from any deliberation that will decide his own remuneration.

### **3. The Audit Committee**

- Composition - The Audit Committee shall be composed of the Chairman of the Board, an Independent director who shall sit as the Chair of the committee and another director that has the most extensive knowledge of financial management systems among the board members.
- Duties and Responsibilities
  1. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations..
  2. Provide oversight over Management's activities in managing credit, market liquidity, operational, legal, and other risks of the corporation. This function shall include regular receipt from Management of information on risk exposure and risk management activities.
  3. Perform oversight functions over the corporation's internal and external auditors. It should ensure that the internal and external auditors act independently from each other and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions.
  4. Review the annual internal audit plan to insure its conformity with the objectives of the corporation. The plan shall include the audit scope, resources and budget necessary to implement it.
  5. Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit and ensure proper coordination where more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts.
  6. Organize an internal audit department and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal.
  7. Monitor and evaluate the adequacy and effectiveness of the corporation's internal control system, including financial reporting control and information technology security.
  8. Receive and review reports of internal and external auditors and regulatory agencies, where applicable and ensure that management is taking appropriate corrective actions in addressing control and compliance functions with regulatory agencies.

9. Review the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on any changes in accounting policies, major judgmental areas, significant adjustments resulting from the audit, compliance with accounting standards and tax, legal and regulatory requirements.
10. Coordinate, monitor and facilitate compliance with laws, rules and regulations.
11. Evaluate and determine the non-audit work, if any, of the external auditor and review periodically the non-audit fees paid to the external auditor in relation to the significance to the total annual income of the external auditor and to the corporation's overall consultancy expenses. Disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence.
12. Establish and identify the reporting line of the internal auditor to enable him to properly fulfill his duties and responsibilities