

# DISCOVERY WORLD

## CORPORATE GOVERNANCE COMMITTEE CHARTER

### I. PURPOSE

The Corporate Governance Committee (the “CG Committee”) is responsible for assisting the Board of Directors (the “Board”) of Discovery World Corporation (the “Company”) in fulfilling its oversight responsibilities in relation to corporate governance. The Committee will have such other duties and responsibilities as are described in this Charter or as are assigned to it from time to time by the Board of Directors.

### II. COMMITTEE MEMBERSHIP AND STRUCTURE

- A. *Composition.* The CG Committee shall be composed of at least three (3) all of whom should be independent.
- B. *Appointment, Term and Removal* - The Board, by a majority vote of the members of the Board constituting a quorum, shall appoint the members and the Chairman of the CG Committee at the annual organizational meeting of the Board and each member shall serve upon his election until the next organizational meeting of the Board unless removed or replaced by the Board.

In case of vacancy in the membership of the Committee, the Board shall appoint a new member from among the directors. In case of vacancy in the position of the Chairman, the Board shall appoint a new Chairman from the members of the CG Committee. The member elected to fill the vacancy shall hold office for the remainder of the term, or until his successor shall have been duly elected and qualified.

### III. MEETINGS

- A. *Schedule.* The CG Committee shall hold meetings at least four (4) times a year or as often as may be deemed necessary or desirable at a time and place determined by its Chairman.

When deemed necessary by the CG Committee or its Chairman and in lieu of a meeting, the Committee may also act by written consent (in physical, electronic or digital format) by majority of the members.

- B. *Quorum.* A majority of the members of the CG Committee shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of those present shall be necessary for any action by the Committee.
- C. *Minutes of the Meeting.* The Corporate Secretary or his designated representative shall act as secretary for the meetings. The minutes of the Committee meeting will be recorded and maintained by the Corporate Secretary and presented to the Committee at the next Committee meeting for approval.

#### **IV. DUTIES AND RESPONSIBILITIES**

##### **A. General Duties and Responsibilities.**

- a. Oversee the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the Company's size, complexity and business strategy, as well as its business and regulatory environments;
- b. Oversee 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. Ensure 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. Recommend 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; and
- f. Propose and plan relevant trainings for the members of the Board;
- g. Identify the Company's various stakeholders and promote cooperation between them and the company in creating wealth, growth and sustainability.
- h. Establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.

- i. Oversees the conduct of the annual review of Board effectiveness. In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.
  - j. Review and evaluate all candidates nominated to Officer positions in the Company that require Board approval prior to effectivity of such Officer appointments or promotions;
  - k. In consultation with the executive or management committee/s, re-define the role, duties and responsibilities of the Chief Executive Officer by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance;
- B. Nomination of Directors.
- a. The CG Committee shall determine the nomination and election process for the Company's directors and shall define the general profile of the board members that the Company may need in terms of knowledge, competency, skills and expertise.
  - b. It shall pre-screen and shortlist all candidates nominated to become a member of the board of directors in accordance with the qualifications and disqualifications set in this Manual and by the Board;
  - c. Ensure that the Board has an appropriate mix of competence, expertise and diversity and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.
  - d. In identifying suitable candidates for appointment to the Board, the CG Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board. The CG Committee will consider the balance of skills, experience, independence and knowledge of the Company on the Board and the diversity representation of the Board, including gender, how the Board works together as a unit, and other factors relevant to its effectiveness.
  - e. The CG Committee shall consider the following guidelines in the determination of the number of directorships for the Board:

- The nature of the business of the Company which he is a director;
- Age of the director;
- Number of directorships/active memberships and officerships in other companies or organizations;
- Possible conflict of interest; and
- Strategic direction of the Company.

C. Compensation and Remuneration

- a. The CG Committee shall establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Company's culture and strategy as well as the business environment in which it operates. The policy shall include the following:
  1. Allowing to serve the Company in any other capacity as an officer, agent or otherwise, and receiving compensation therefor.
  2. Disallowing any director to participate in discussions or deliberations involving his own remuneration;
- b. Determine the amount of remuneration for the Company's directors and officers, which shall be:
  1. Sufficient to attract and retain the services of qualified and competent individuals;
  2. In line with the business and risk strategy, objectives values and incorporate measures to prevent conflict of interest;
  3. Commensurate to the responsibilities of the role;
  4. Sufficient to encourage employees to act in the long-term interest of the company as a whole, rather than for themselves or their business lines only;
  5. Based on the achievement of financial performance targets; and
  6. Based on the completion of non-financial performance objective;
- c. Review, subject to the approval of the Board of Directors, all recommendations for additional compensation in the form of bonuses or options;

- d. Ensure that all incoming officers and directors disclose fully their existing business interests or shareholdings that may directly or indirectly conflict with the performance of their intended duties and responsibilities, under the penalty of perjury;
- e. Determine remuneration of employees in control functions (i.e., risk, compliance, and internal audit), independent of any business line being overseen, and performance measures are based primarily on the achievement of their objectives so as not to compromise their independence;
- f. Provide management with a clear, concise and understandable disclosure of the compensation of the Company's executive officers for the previous fiscal year and the current year, which shall be incorporated in the Company's annual reports, information and proxy statements;
- g. Review the existing Human Resources Development or Personnel Handbook or its equivalent, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements. In the absence of such Personnel Handbook or its equivalent, the Committee, in coordination with the Human Resources Department, shall develop such a handbook which shall cover the same parameters of governance stated above; and
- h. Supervise and oversee the Company's stock option and other compensatory plans.

## **V. REPORTING**

The Committee shall regularly report to the Board on all significant matters that are within its responsibilities.

## **VI. ANNUAL PERFORMANCE EVALUATION OF THE COMMITTEE**

The Committee will conduct an annual self-evaluation to determine whether it is functioning effectively. The Chairman of the Committee, together with the Chairman of the Board shall determine the form and nature of the annual self-evaluation.

## **VII. CHARTER REVIEW**

The Board shall review and reassess the adequacy of this Charter at least once a year or as often as deemed necessary. Any proposed amendments and revisions to this Charter must be reviewed and approved by the Board prior to posting it to the Company's website.