



## **Compensation Committee Charter**

### **I. Introduction**

The Compensation Committee ("Committee") is established by the Board of Directors ("Board") of AIB Money Market Mutual Fund, Inc. (the "Company") as required under the laws and regulations governing Investment Companies in the Philippines, including but not limited to the Investment Company Act of the Philippines. The purpose of the Committee is to assist the Board in fulfilling its responsibilities regarding the compensation of the Company's key officers and employees.

### **II. Committee Membership**

#### **1. Composition**

- a. The Committee shall consist of at least three (3) members, the majority of whom, including the Chairperson, are independent directors. Each Committee member shall meet the independence requirements as set forth in applicable laws and regulations.
- b. The Board shall appoint the Chairperson and Members of the Committee.
- c. Only the Board shall have the authority to remove the Committee's Chairperson or any of its members from their positions.

#### **2. Qualifications**

- a. The Chairperson or any Member of the Committee must be a Philippine Citizen if so required under applicable laws and regulations and/or the By-Laws.
- b. The Chairperson and Members of the Committee shall be Directors.

#### **3. Term**

- a. Committee members shall serve for a term determined by the Board or until their successors are appointed and qualified.

### **III. Committee Responsibilities**

The Committee shall have the following key responsibilities:

#### **1. Compensation Strategy and Policy**

- a. Develop and recommend to the Board a compensation strategy and policy for key officers and employees of the Company, taking into account the Company's business objectives, risk management practices, and regulatory requirements.
- b. Review and approve the Company's compensation philosophy, which should align with long-term value creation, talent retention, and appropriate risk management practices.

#### **2. Executive Compensation**

- a. Review and approve the compensation structure, including base salary, bonuses, and incentives for key officers and employees.
- b. Ensure that the compensation packages of key officers and employees are competitive and reasonable based on industry standards, performance metrics, and individual contributions.
- c. Monitor and evaluate the effectiveness of the Company's executive compensation programs in attracting, motivating, and retaining talent.

#### **3. Risk and Governance**

- a. Consider the potential risks associated with the Company's compensation programs and policies and recommend appropriate risk mitigation measures.
- b. Review and assess the Company's compliance with relevant laws, regulations, and corporate governance guidelines relating to compensation matters.
- c. Oversee and approve any material revisions or updates to the Company's compensation-related policies, programs, and practices.

#### **4. Disclosure and Reporting**

- a. Review and approve the Company's annual Compensation Discussion and Analysis (CD&A) to be included in the Company's public disclosures, as required by applicable laws and regulations.
- b. Ensure that the Company's compensation practices are transparent, adequately disclosed, and consistent with regulatory requirements.
- c. Provide oversight of the Company's compliance with disclosure and reporting obligations pertaining to compensation matters.

## **5. Evaluation and Independent Advice**

- a. Periodically review the performance and effectiveness of the Committee and recommend any necessary changes to its structure, processes, or charter.
- b. Engage external compensation consultants, legal counsel, or other experts as necessary to assist the Committee in fulfilling its responsibilities. The Committee shall have the authority to approve the fees and retention terms of such advisors.

## **IV. Committee Operations**

### **1. Meetings**

- a. The Committee shall meet at least annually or more frequently as deemed necessary by the Committee Chairperson.
- b. The Committee may meet in person or via teleconference or video conference, as long as all members can fully participate and communicate.
- c. A Committee meeting shall be convened upon notice in writing at least three (3) days prior to the meeting and specifying the mode of conduct, date and time of the meeting and the matters to be discussed at the meeting.
- d. The Committee may invite members of management, independent advisors, or other individuals to attend meetings as necessary.

### **2. Quorum and Voting**

- a. The quorum for a meeting of the Committee shall be at least a majority of the Members present throughout the meeting.
- b. Decisions and recommendations of the Committee shall be made by a majority vote of the members present at a meeting.

### **3. Reporting**

- a. The Committee shall provide regular reports to the Board regarding its activities, findings, and recommendations.
- b. The Committee shall maintain appropriate documentation of its proceedings and decisions.

## **V. Authority and Resources**

The Committee shall have the authority to access and obtain information, records, and personnel necessary to fulfill its responsibilities. The Committee may also engage external advisors, as deemed necessary, and shall have the authority to determine the terms of engagement and approve the fees for such advisors, which shall be borne by the Company.

## **VI. Review and Amendment**

This Charter shall be reviewed periodically by the Committee and may be amended by the Board as deemed necessary and in compliance with applicable laws and regulations.

*Adopted by the Board of Directors on June 13, 2023.*