



Board Charter

1. Introduction

This Board Charter sets forth the principles, roles, and responsibilities of the Board of Directors (the "Board") of AIB Money Market Mutual Fund, Inc. (the "Company"), an Investment Company incorporated in the Philippines. The Charter is designed to guide the Board in carrying out its duties and ensuring the effective governance of the Company.

2. Purpose and Objectives

- 2.1 The primary purpose of the Board is to provide strategic guidance, oversee the management of the Company, and protect the interests of the shareholders. The Board's objectives include:
- a. Safeguarding and enhancing shareholder value: The Board is responsible for making decisions and taking actions that are in the best interest of the shareholders and contribute to the long-term success of the Company.
 - b. Setting the Company's strategic direction and objectives: The Board is responsible for approving the Company's strategic plan, including its mission, vision, values, and long-term goals.
 - c. Overseeing the performance of the Company and management: The Board monitors the Company's financial performance, reviews the effectiveness of management, and ensures the implementation of appropriate internal controls.
 - d. Ensuring compliance with applicable laws, regulations, and ethical standards: The Board is responsible for establishing and maintaining a corporate culture that promotes compliance with laws, regulations, and ethical standards.

- e. Identifying and managing risks to the Company's operations: The Board oversees the identification, assessment, and mitigation of risks that may affect the Company's operations and reputation.
- f. Promoting transparency, accountability, and effective communication: The Board encourages transparency in the Company's operations, ensures accountability of management, and fosters effective communication with shareholders and other stakeholders.

3. Composition of the Board

3.1 Size and Structure:

- a. The Board consists of five (5) directors, of which three (3) are Independent Directors.
- b. The Board should maintain a composition that allows for effective decision-making, considering the Company's size, complexity, and industry best practices.

3.2 Independence:

- a. At least 50% of the Board members should be independent directors, as defined by applicable laws and regulations, including the Securities Regulation Code (SRC) and the Investment Company Act (ICA) of the Philippines.
- b. The independence of directors should be assessed annually and disclosed to the Securities and Exchange Commission (SEC).

3.3 Qualifications:

- a. Board members should possess relevant expertise, experience, and integrity to effectively discharge their duties.
- b. The Board should strive for a balance of skills, knowledge, and experience that is necessary to effectively oversee the Company's operations and strategic direction.
- c. The Board should consider the diversity of its members in terms of gender, ethnicity, age, and professional backgrounds.
- d. Board members should possess all the qualifications and none of the disqualifications indicated in SRC, ICA and other applicable laws and regulations.

3.4 Nomination and Election:

- a. The process for the nomination and election of directors shall be in accordance with the Company's Articles of Incorporation and By-Laws.
- b. The Nomination Committee, if established, shall be responsible for recommending qualified candidates for election as directors, taking into account the skills, experience, and independence requirements.
- c. The shareholders shall elect directors in a transparent and objective manner, ensuring that they have access to relevant information about the candidates.

4. Roles and Responsibilities of the Board

4.1 Strategic Planning:

- a. The Board shall approve the Company's strategic plan, including its long-term objectives, major investments, and divestment decisions.
- b. The Board should regularly review and evaluate the Company's strategic direction and make adjustments as necessary to respond to changes in the business environment.

4.2 Risk Oversight:

- a. The Board shall identify and assess the risks faced by the Company and establish appropriate risk management policies and procedures.
- b. The Board should ensure that management has implemented effective risk management processes and internal controls to mitigate identified risks.
- c. The Board should receive regular reports on the Company's risk profile, risk mitigation efforts, and significant risk exposures.

4.3 Financial Oversight:

- a. The Board shall review and approve the Company's financial statements, budgets, and significant financial transactions.
- b. The Board should ensure that the Company maintains appropriate financial reporting processes, internal controls, and risk management systems.

- c. The Board should monitor the Company's financial performance, including key financial indicators and ratios, and take appropriate actions to address any significant deviations.

4.4 Corporate Governance:

- a. The Board shall promote and uphold good corporate governance practices, including the establishment and enforcement of a Code of Conduct and Ethics.
- b. The Board should establish effective systems for the oversight of corporate governance, including the review of related-party transactions, conflicts of interest, and compliance with applicable laws and regulations.
- c. The Board should ensure that the Company maintains an effective system of internal controls, internal audit, and risk management.

4.5 Appointment and Monitoring of Senior Management:

- a. The Board shall appoint, evaluate, and, if necessary, replace the Chief Executive Officer (CEO) and other key senior executives.
- b. The Board should establish clear performance objectives and remuneration policies for senior management.
- c. The Board should monitor the performance of senior management, including their adherence to the Company's strategic objectives and ethical standards.

4.6 Board Committees:

- a. The Board may establish committees to assist in fulfilling its responsibilities, such as an Audit Committee, Compensation Committee, and Corporate Governance/Nominations Committee.
- b. Each committee should have a clearly defined charter, stating its purpose, authority, and responsibilities.
- c. The Board should ensure that the committees are composed of directors with the necessary skills and independence to carry out their respective duties.

- d. The Board should regularly evaluate the effectiveness of the committees and their compliance with their charters.

4.7 Shareholder Communication:

- a. The Board shall ensure effective communication with shareholders, providing them with timely and accurate information about the Company's performance, strategy, and significant developments.
- b. The Board should encourage shareholders' active participation in general meetings, allowing them to ask questions, raise concerns, and exercise their voting rights.
- c. The Board should establish mechanisms for shareholders to communicate with the Board, such as a dedicated email address or a shareholder liaison officer.

4.8 Legal and Regulatory Compliance:

- a. The Board shall ensure that the Company and its directors, officers, and employees comply with applicable laws and regulations.
- b. The Board should establish mechanisms to monitor and assess compliance with laws and regulations, including the appointment of a Compliance Officer..
- c. The Board should receive regular reports on legal and regulatory developments that may impact the Company's operations and make appropriate adjustments to ensure compliance.

5. Board Meetings and Reporting

5.1 Frequency:

- a. The Board shall meet at least once a year, with additional meetings called as necessary.
- b. The Chairperson, in consultation with the CEO, shall determine the meeting schedule for the year, consistent with the Company's By-Laws.

5.2 Agenda:

- a. The Chairperson, in consultation with the CEO, shall set the agenda for each Board meeting, considering matters requiring the Board's attention.

- b. Directors may suggest items for inclusion in the agenda, and the Chairperson should consider these suggestions in the agenda-setting process.

5.3 Information and Materials:

- a. Directors shall receive relevant and timely information and materials before each Board meeting to enable informed decision-making.
- b. The Corporate Secretary or designated personnel shall ensure the distribution of meeting materials in a secure manner.

5.4 Minutes and Records:

- a. Accurate and comprehensive minutes of Board meetings shall be maintained, reflecting the discussions, decisions, and actions taken.
- b. The minutes should be circulated to the Board members for review and approval within a reasonable time after the meeting.
- c. The Corporate Secretary shall ensure that the minutes are properly recorded, securely stored, and accessible for future reference.

5.5 Reporting:

- a. The Board shall provide regular reports to shareholders, regulatory authorities, and other stakeholders as required by applicable laws and regulations.
- b. The reports should cover the Company's financial performance, major developments, risks, and other matters of importance to the stakeholders.
- c. The reports should be prepared in a clear, concise, and accurate manner, providing sufficient information for stakeholders to assess the Company's performance and prospects.

6. Directors' Training and Development Program

- 6.1 The Board shall establish a comprehensive training and development program for directors to enhance their skills, knowledge, and effectiveness.

6.2 The Board shall be responsible for designing and implementing the program.

6.3 The training and development program should include, but not be limited to, the following elements:

- a. Orientation for new directors: Newly appointed directors should receive an orientation program to familiarize them with the Company's operations, governance framework, strategic direction, and key policies.
- b. Ongoing training: Directors should participate in regular training sessions to keep them updated on relevant laws, regulations, industry trends, and emerging governance practices.
- c. External resources: The Company may engage external trainers, experts, or institutions to provide specialized training on topics relevant to the Company's industry and business.
- d. Board evaluation feedback: The results of the Board and individual director evaluations should be used to identify areas for improvement and develop tailored training plans.
- e. Continuous learning: Directors should be encouraged to engage in continuous learning and professional development activities, such as attending conferences, seminars, and workshops.

6.4 The Board shall periodically assess the effectiveness of the training and development program and make recommendations for improvements.

7. Succession Program for Directors

7.1 The Board shall establish a succession program to ensure the orderly transition of directors.

7.2 The Board shall be responsible for overseeing the succession program.

7.3 The succession program should identify and develop potential candidates for director positions, considering the skills, expertise, and diversity needed on the Board.

7.4 The program should include processes for identifying and evaluating internal and external candidates, conducting assessments, and providing appropriate training and development opportunities.

7.5 The Board shall regularly review and update the succession program to address changing circumstances and ensure the availability of qualified individuals to fill director vacancies.

8. Review and Evaluation

8.1 Self-Assessment:

- a. The Board shall conduct periodic self-assessments to evaluate its performance, effectiveness, and adherence to this Charter.
- b. The self-assessment should include a review of the Board's composition, processes, decision-making, and interactions with management and stakeholders.
- c. The results of the self-assessment should be used to identify areas for improvement and develop action plans to address them.

8.2 Board Evaluation:

- a. The Board shall establish a process for evaluating the performance of individual directors, the Board as a whole, and its committees.
- b. The evaluation process may include self-assessments, peer evaluations, and external assessments, as deemed appropriate.
- c. The evaluation results should be used to provide feedback to directors, identify development needs, and enhance the overall effectiveness of the Board.

9. Charter Review and Amendments

9.1 Review:

- a. This Charter shall be reviewed periodically to ensure its continued relevance and effectiveness.
- b. The Board shall determine the frequency of the review, taking into account changes in the business environment, laws and regulations, and best practices in corporate governance.

9.2 Amendments:

- a. Amendments to this Charter may be proposed by any Board member and shall be approved by a majority vote of the Board.
- b. Any amendments to this Charter should be communicated to the shareholders and other relevant stakeholders.

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