

SGI Philippines General Insurance Company, Inc.
Board of Directors Committee Membership

GIS & AMLA	<u>Audit Committee</u>		
	Chairman	Mr. Akhilesh Kumar Singh	Independent Director
	Member	Dr. Victor Limlingan	Independent Director
	Member	Mr. Srikanth Varadarajan	Executive Director
AMLA	<u>Corporate Governance Committee</u>		
	Chairman	Mr. Akhilesh Kumar Singh	Independent Director
	Member	Dr. Victor Limlingan	Independent Director
	Member	Mr. Srikanth Varadarajan	Executive Director
AMLA	<u>Board Risk Oversight Committee</u>		
	Chairman	Mr. Akhilesh Kumar Singh	Independent Director
	Member	Dr. Victor Limlingan	Independent Director
	Member	Mr. Srikanth Varadarajan	Executive Director
AMLA	<u>Related Party Transactions (RPT) Committee</u>		
	Chairman	Mr. Akhilesh Kumar Singh	Independent Director
	Member	Dr. Victor Limlingan	Independent Director
	Member	Mr. Srikanth Varadarajan	Executive Director
GIS	<u>Compensation Committee</u>		
	Chairman	Mr. Akhilesh Kumar Singh	Independent Director
	Member	Mr. Srikanth Varadarajan	Executive Director
	Member	Mr. Shashi Kant Dahuja	Non-Executive Director
GIS	<u>Nomination & Election Committee</u>		
	Chairman	Mr. Akhilesh Kumar Singh	Independent Director
	Member	Mr. Srikanth Varadarajan	Executive Director
	Member	Mr. Shashi Kant Dahuja	Non-Executive Director

SCOPE OF COMMITTEES

AUDIT COMMITTEE

Audit Committee shall comply with the following:-

- Every Insurer shall constitute an Audit Committee as per Section 177 of the Companies Act, as amended from time to time, including in relation to its composition. Currently, as required under Section 177 of the Companies Act, 2013, the Audit Committee shall comprise minimum of three directors, majority of whom shall be Independent Directors. The Chair of the Board should not be a member of the Audit Committee.
- The Audit Committee shall oversee the financial statements, financial reporting, statement of cash flow and disclosure processes both on an annual and quarterly basis. It shall set-up procedures and processes to address all concerns relating to adequacy of checks and control mechanisms.
- The Chairperson of the Audit Committee should be an Independent Director of the Board with an accounting/finance/audit experience and may be a Chartered Accountant/ Certified Public Accountant or a person with a strong financial analysis background. The association of the CEO in the Audit Committee should be limited to occasions where the Audit Committee requires eliciting any specific information concerning audit findings.
- The Audit Committee will oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.
- The Audit Committee shall be directly responsible for the recommendation of the appointment, remuneration, performance and oversight of the work of the auditors (including internal/statutory/Concurrent/ Secretarial / Forensic / Systems Audit). In case of statutory audit, the independence of the external auditors shall be ensured (although the approval of appointment, remuneration and removal of the statutory auditors shall be done by the shareholders at the general body meeting).
- The Audit Committee shall have the oversight on the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the insurer, whether raised by the auditors or by any other person.
- The Audit Committee shall discuss with the statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussions to address areas of concern.
- The Audit Committee shall act as a “compliance” Committee to discuss the level of compliance in the insurer and any associated risks and to monitor and report to the Board on any significant compliance breaches.

- The Audit Committee shall have oversight on the overall management costs of the insurer as these are also additionally governed by the limits prescribed statutorily in the Act and Regulations framed thereunder in order to protect the interests of the policyholders.
- Any additional work other than statutory/internal audit that is entrusted to the auditor or any of its associated persons or companies shall be specifically approved by the Audit Committee keeping in mind the necessity to maintain the independence and integrity of the audit relationship.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties. Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed under Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014.
- All such other work entrusted to the auditor or its associates shall be specifically disclosed in the Notes to Accounts forming part of the annual accounts of the insurer. However, it may be ensured that insurer comply with Section 144 of the Companies Act before deciding to provide any additional work to the Statutory Auditors.

BOARD RISKS OVERSIGHT COMMITTEE

Risk Management Committee shall comply with the following:

- Establish effective Risk Management framework and recommend to the Board the Risk Management policy and processes for the organization.
- Set the risk tolerance limits and assess the cost and benefits associated with risk exposure.
- Review the insurer's risk-reward performance to align with overall policy objectives.
- Discuss and consider best practices in risk management in the market and advise the respective functions;
- Assist the Board in effective operation of the risk management system by performing specialized analyses and quality reviews;
- Maintain an aggregated view on the risk profile of the insurer for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, etc.
- Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters.

- Report to the Board, details on the risk exposures and the actions taken to manage the exposures; review, monitor and challenge where necessary, risks undertaken by the insurer.
- Review the solvency position of the insurer on a regular basis.
- Monitor and review regular updates on business continuity.
- Formulation of a Fraud monitoring policy and framework for approval by the Board.
- Monitor implementation of Anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds.
- Review compliance with the Insurance Fraud Monitoring Framework issued by the Authority relating to risks.

NOMINATION AND REMUNERATION COMMITTEE

The envisaged role of the Nomination and Remuneration Committee includes the following aspect:

- The Nomination and Remuneration Committee is required to determine on behalf of the Board and on behalf of the shareholders with agreed terms of reference, the insurance company's policy on remuneration packages and any compensation payment, for the CEO, the Executive and Non-Executive Directors, Key Management Persons of the insurer in alignment with the applicable framework.
- The Nomination and Remuneration Committee shall ensure that the remuneration packages of the Key Management Persons of the insurer are as per the Remuneration Policy approved by the Board.
- The Committee shall ensure that the proposed appointments/ re-appointments of Key Management Persons or Directors are in conformity with the Board approved policy on retirement/ superannuation.
- The Committee shall be responsible for the succession planning of the insurer including in its implementation in a smooth manner.