



Millennium Global Holdings, Inc.

BOARD CHARTER OF MILLENNIUM GLOBAL HOLDINGS, INC.

This Board Charter (the "Charter") of **MILLENNIUM GLOBAL HOLDINGS, INC.** (the "Company") is intended to complement or supplement the provisions of the Revised Corporation Code of the Philippines, the Company's Articles of Incorporation and By-laws, Manual on Corporate Governance, policies, issuances of the Securities and Exchange Commission ("SEC"), and other applicable laws, rules, and regulations.

Section 1: Composition of the Board

1. Number of Directors - The Board of Directors shall be composed of members in such number as determined by the provisions of the Articles of Incorporation, all of whom are stockholders of record, and elected by the stockholders of the Company. The Board shall have Independent Directors, in such number as may be required by the SEC.
2. Positions - The stockholders may elect a combination of Executive Directors and Non-Executive Directors, who possess the necessary qualifications to effectively participate and help secure objective independent judgment on corporate affairs and to substantiate proper checks and balances.
3. Committees - The Board shall constitute the appropriate Committees to focus on specific Board of Directors' functions to aid in the optimal performance of its roles and responsibilities. The type of Board Committees to be established by the Company would depend on its size, risk profile, and complexity of operations.
4. Board Diversity – The Company shall, as much as practicable, endeavor to ensure diversity in the Board of Directors, in terms of age, gender, ethnicity, skills, experience, and knowledge.
5. Independence – The Board of Directors shall ensure that its Independent Directors possess the necessary qualifications and none of the disqualifications as required by SEC and other applicable laws and regulations.

For this purpose, an "Independent Director" shall mean a person who is independent of management and the controlling stockholder, and is free from any business or any other relationship that could reasonably be perceived to materially interfere with his/her exercise of independent judgment in carrying out his/her responsibilities as a Director of the Company.

Section 2: Term of the Board

1. Term of Office - The elected members of the Board of Directors shall hold office for one (1) year and until their successors are elected and qualified.
2. Term limits for Independent Directors -The Independent Director may serve for a maximum of nine (9) cumulative years, after which, the Independent Director should be perpetually barred from re-election as such in the Company, but may continue to qualify for nomination and election as a non-Independent Director. If the Company wants to retain an Independent Director who has served for nine (9) cumulative years, the Board of Directors should provide meritorious justifications and sufficient reasons to believe that the individual concerned remains independent and advise the stockholders of such justifications during the annual stockholders' meeting.
3. Resignation - Any director of the Company may resign at any time by giving written notice to the Chairman, President & CEO or the Corporate Secretary of the Company. The resignation of any director shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall be necessary to make it effective.
4. Removal - Any director may be removed, either with or without cause, at any time, by the affirmative vote of the stockholders holding or representing at least two-thirds (2/3) of the outstanding capital stock entitled to vote at a regular meeting or at a special meeting of the stockholders called for the purpose and held after due notice as provided in Section 27 of the Revised Corporation Code. The vacancy in the Board caused by any such removal may be filled by the stockholders at such meeting without further notice, or at any regular or at any special meeting called for the purpose after giving notice as prescribed by the Corporate Code.

Section 3: Board Meetings

1. Regular Meetings – regular meetings of the Board of Directors shall be held once every quarter of the year on such dates and at such times and places as the Chairman of the Board, or in his/her absence, the President, shall set, or upon the request of a majority of the Directors, and shall be held at such places as may be designated in the notice.
2. Special Meetings - Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board, or by the President, or by any two (2) Directors in writing sent to the Corporate Secretary.

The Corporate Secretary shall, as much as practicable, schedule all regular board and committee meetings at the start of the calendar year.

3. Board Attendance - The members of the Board should attend its regular and special meetings in person or through teleconferencing conducted in accordance with the rules and regulations of the Commission.

The Directors may from time to time invite corporate officers, other employees, and advisors to attend Board or committee meetings whenever deemed appropriate.

Directors are encouraged to attend all annual meetings of stockholders.

4. Organizational Meetings - The Board of Directors shall meet for organization, election of officers, election of board committee members, and the transaction of other business, as soon as practicable after each annual election of directors, and, if practical, at the same place at which regular meetings of the stockholders are held.
5. Notice of Meetings – The sending of Notice to the directors shall be made in accordance with the By-Laws of the Company. A Director may waive this requirement, either expressly or impliedly.
6. Quorum – Except as otherwise provided by statute, or by the Articles of Incorporation or By-laws of the Company, a majority of the number of directors shall constitute a quorum for the transaction of business at any meeting, and the act of a majority of the directors present at any meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board. In the absence of a quorum, a majority of the Directors present may adjourn any meeting from time to time until a quorum be had. Notice of any adjourned meeting need not be given.
7. Conduct of the Meetings – The conduct of meetings of the Board of Directors shall be done in accordance with the By-Laws of the Company.
8. Minutes of the Meetings - Minutes of all meetings of the Board of Directors shall be kept by the Corporate Secretary as a record of all the business transacted at such meetings.

Section 4: Board Duties and Responsibilities

1. General Responsibility

It is the Board's responsibility to foster the long-term success of the Company and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interest of its stockholders and other stakeholders.

- i. The Board of Directors is primarily responsible for the governance of the Company. Corollary to setting the policies for the accomplishment of the corporate objectives, it shall provide an independent check on Management.
- ii. The Board should establish the Company's vision, mission, strategic objectives, policies, and procedures that shall guide its activities, including the mechanisms for effective monitoring of the Management's performance.

- iii. A director's office is one of trust and confidence. He/she shall act in a manner characterized by transparency, accountability, integrity, and fairness.
- iv. The Board shall create specific Board Committees as may be necessitated by the complexity of the operations of the Company.

2. Specific Duties and Functions

To ensure a high standard of best practice for the Company, its stockholders, and other stakeholders, the Board shall:

- i. install and implement a process of selection to ensure the election/appointment of competent Directors, who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies;
- ii. determine the Company's purpose, vision, mission, and values. Formulate the strategic objectives, policies, and procedures that shall guide its activities, including the means to monitor Management's performance effectively;
- iii. formulate a Board Charter to serve as a guide to the directors in the performance of their functions. The Board Charter shall be posted on the Company's website.
- iv. adopt and ensure the proper implementation and monitoring of compliance with the Code of Business Conduct and Ethics, properly disseminated to the Board of Directors, Management, and employees, and disclosed and made available to the public through its website.
- v. oversee the conduct of the Company's business to ensure that the business is being properly managed and dealings with policyholders, claimants, creditors and other stakeholders are fair and equitable.
- vi. develop systems and procedures to ensure the appointment of competent, professional, honest, and highly motivated management officers, and adopt an effective succession-planning program for the directors, key officers and Management, including the policies on the retirement age of directors and key officers and for appointing, training, fixing the compensation of, and where appropriate, replacing senior management.
- vii. ensure that the Company complies with all relevant laws, regulations, and best business practices.
- viii. identify the Company's stakeholders and formulate a clear policy on communicating or relating with them.
- ix. adopt a system of internal checks and balances. A regular review of the effectiveness of such a system should be conducted to ensure the integrity of the decision-making and reporting process. There should also be systems for

compliance with the Philippine Stock Exchange, Securities and Exchange Commission and the Securities Code and other applicable laws, regulations, rules, directives and guidelines. There should be a continuing review of its internal control system to maintain its adequacy and effectiveness and ensure the integrity of financial reports and protection of its assets for the benefit of all stockholders and other stakeholders. A mechanism shall be set for monitoring and managing potential conflicts of interest of Management, Board of Directors, and stockholders.

- x. ensure that there is a policy and system governing related party transactions and other unusual or infrequently occurring transactions, particularly those that pass certain thresholds of materiality. The policy should include the appropriate review and approval of material Related Party Transactions, which guarantee fairness and transparency of the transactions.
- xi. identify key risk areas, key performance indicators and monitor these factors with due diligence.
- xii. ensure that a sound enterprise risk management framework is in place through the Risk Management and Oversight Committee, to effectively identify, monitor, assess and manage key business risks.
- xiii. ensure that it properly discharges its functions by meeting the set schedule and agenda.

Independent views during Board of Directors meetings shall be encouraged and given due consideration. All Board of Directors and Committee meetings shall be written in the minutes.

- xiv. adopt a Board nomination and election policy, including an assessment of the effectiveness of the Board's processes and procedures in the nomination, election and replacement of a director.
- xv. keep its activities and decisions within its authority and as prescribed in its Articles of Incorporation, By-laws, and existing laws, rules, and regulations.
- xvi. review and approve material transactions not in the Company's ordinary course of business; approve all material related party transactions as defined in the relevant rules and regulations those that cross the materiality threshold, and write off of material exposures to related parties and submit the same for confirmation by majority vote of shareholders in the annual shareholders' meeting, provided that: a director who has a potential interest in any related party transaction must recuse from voting on the approval of such related party transaction.
- xvii. formulate and implement group-wide policies and procedures that would ensure the integrity and transparency of Related Party Transactions between and among the Company, joint ventures, subsidiaries, major stockholders, officers including their

spouses, children, and dependent siblings and parents, and interlocking relationships by the Board of Directors.

- xviii. delegate to the appropriate management committee the approval of related party transactions that are below the materiality threshold, subject to the confirmation by the Board.
- xix. ensure maintenance of adequate capital against risks associated with exposures to related parties.
- xx. establish and maintain an alternative dispute resolution system that can amicably settle conflicts or differences between the Company and its stockholders, third parties, and the regulatory authorities.
- xxi. conduct an annual self-assessment of its performance, including the Chairman, individual members, and the Board Committees.
- xxii. ensure that the remuneration and performance of the key officers, Management and Board of Directors ~~are~~^{is} aligned with the long-term interests of the Company, as well as at par with comparable entities. No Director should participate in the determination of his/her own per diem or compensation.
- xxiii. recommend, propose, and plan continuing education or relevant training programs for Directors, assignment of tasks or projects to Board Committees.
- xxiv. develop and implement an investor relations program or adopt a shareholder communications policy for the Company.
- xxv. ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations and fully disclose all relevant and material information on individual Board members and key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.
- xxvi. approve the selection and election of the President and Chief Executive Officer, Executive Vice President, Treasurer, Corporate Secretary, Assistant Corporate Secretary, Chief Risk Officer, Chief Finance Officer, Investor Relations Officer, and such other officers that the Board of Directors may deem proper to be elected, all of whom must be qualified to administer company affairs soundly and effectively and establish an adequate selection process for all personnel; apply fit and proper standards on personnel ensuring that integrity, relevant technical expertise and experience in the institution's business are key considerations in the selection process. The Board shall also select and elect a Compliance Officer who shall be responsible for coordinating, monitoring, and facilitating compliance with existing laws, rules and regulations.

- xxvii. oversee the integrity, independence and effectiveness of the policies and procedures for whistleblowing.
- xxviii. assess the performance of management based on established performance standards or performance evaluation framework that contribute to the attainment of the Company's strategic map, and performance scorecard.

Section 5: Decisions Requiring Board Approval

The following decisions must be referred to the Board for approval:

- i. acquiring or selling shares of the Company,
- ii. acquiring, selling or otherwise disposing of property material to the business of the Company,
- iii. acquiring or selling intellectual property rights of the Company,
- iv. initiating major changes to the field of the Company's business activities,
- v. amendment of Articles of Incorporation and By-Laws of the Company,
- vi. increase or decrease of capital stock of the Company,
- vii. incurring, creating or increasing bonded indebtedness,
- viii. selling, leasing, exchanging, mortgaging, pledging or otherwise disposing of all or substantially all of the corporate assets of the Company,
- ix. investment of corporate funds in another corporation or business or for any purpose other than the primary purpose of the Company (including founding, acquiring or selling subsidiaries of the Company),
- x. merger or consolidation involving the Company,
- xi. material transactions not in the ordinary course of business of the Company,
- xii. material contracts with directors, officers, or their spouses or relatives within the fourth (4th) civil degree of consanguinity or affinity. Such contracts must be approved by at least two thirds (2/3) of the entire membership of the Board and at least a majority of the independent director, and
- xiii. such other matters that the Management may refer to the Board for approval.

Section 6: The Chairman and Vice-Chairman of the Board

The Chairman and Vice-Chairman of the Board shall be elected by the Board of Directors from among its members. The responsibilities of the Chairman of the Board are provided under the By-Laws of the Company, and shall include the following:

- i. presides at the meetings of the Directors.
- ii. makes certain that the meeting agenda focuses on strategic matters, including the overall risk appetite of the Company, considering the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations.

- iii. guarantees that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions.
- iv. facilitates discussions on key issues by fostering an environment conducive to constructive debate and leveraging the skills and expertise of individual Directors.
- v. ensures that the Board sufficiently challenges and inquires on reports submitted and representations made by Management.
- vi. assures the availability of proper orientation for first-time Directors and continuing training opportunities for all Directors.
- vii. makes sure that the performance of the Board is evaluated at least once a year and discussed/followed up on.
- viii. to initiate the development of corporate objectives and policies and formulate long-range projects, plans, and programs for the approval of the Board of Directors, including those for executive training, development, and compensation.
- ix. to exercise such other powers as may be incidental to his/her office and perform such other duties as the Board of Directors may assign to him.

In the absence of the Chairman, the Vice-Chairman shall undertake the above responsibilities in place of the former.

Section 7: The President

The President, elected by the Board from among its members, shall be the Chief Executive Officer. The responsibilities of the President are provided under the By-Laws of the Company, and shall include the following:

- i. to preside at the meetings of the stockholders, or of the Board of Directors in the absence of the Chairman and Vice Chairman of the Board of Directors.
- ii. to communicate and implement the Company's vision, mission, values and overall strategy and promotes any organization or stakeholder change in relation to the same
- iii. to exercise general supervision over all the other business of the Company, specifically to oversee the operations of the Company and manages human and financial resources in accordance with the strategic plan.
- iv. to recommend the Company's strategic direction to the Board of Directors and formulates and implements its strategic plan on the direction of the business
- v. except in cases in which the signing and execution thereof shall have been expressly delegated to some other officer/s or agent/s of the Company, the President shall sign and execute in the name of the Company all authorized to be entered into by the Board

of Directors, and such deeds, contracts or other instruments that may arise in the course of the routine business of the Company.

- vi. to sign, endorse, and deliver all checks, drafts, and bills of exchange, promissory notes, and orders of payment of sums of money in the name and on behalf of the Company.
- vii. to borrow money for the Company by any legal means whatsoever, including the arrangement of letters of credit, and overdrafts with all banking institutions, subject to prior approval of the Board of Directors.
- viii. to initiate and develop corporate objectives and policies and formulate long-range projects, plans, and programs for the approval of the Board of Directors.
- ix. to ensure that the administrative and operational policies of the Company are carried out under his/her supervision and control.
- x. to direct, evaluate and guide the work of the key officers of the Company.
- xi. to manage the Company's resources prudently and ensures a proper balance of the same.
- xii. to provide the Board with timely information and interfaces between the Board and the employees.
- xiii. to build the corporate culture and motivates the employees of the Company.
- xiv. to serve as the link between internal operations and external stakeholders.

The President must have a good working knowledge of the Company's industry and market and keeps up-to-date with its core business purpose.

Section 8: The Corporate Secretary

The Corporate Secretary shall be appointed by the Board. The responsibilities of the Corporate Secretary are provided under the By-Laws of the Company, and shall include the following:

- a. to keep or cause to be kept on books provided for the purpose the minutes of the meetings of the stockholders and of the Board of Directors;
- b. to give, or cause to be given, notice of meetings of stockholders and directors and all other notices required by law or by these By-law; and in the case of his absence or refusal or neglect to do so, any such notice may be given by any person directed by the President, or by the directors or stockholders, upon whose request the meeting is called as provided in these By-Laws;

- c. to be the custodian of the records and of the seal of the Company and see that the seal or a facsimile thereof is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized in accordance with the provisions of these By-laws, and shall attest the same;
- d. to keep a register of the post office address of each stockholder, and make all proper changes in such register, retaining and filling his authority for all such entries;
- e. to see that the books, statements, certificates and all other documents and records required by law are properly kept and filed;
- f. to sign with the President any or call certificates of stock of the Company;
- g. unless otherwise determined by the Board of Directors, to have charge of the original stock books, transfer books and stock ledgers and act as transfer agent in respect of the stock and securities of the Company;
- h. to record the meetings by the Board of Directors, if held via teleconference or videoconference, and keep in safekeeping such recording.
- i. to do such other duties as may, from time to time, be assigned to him by the Board of Directors or by the President.

An Assistant Corporate Secretary may be appointed by the Board and shall assist the Corporate Secretary in performing the above duties.

Section 9: Board Committees

1. The Committees - To aid in complying with the principles of good corporate governance, the Board of Directors may constitute appropriate Committees to focus on specific Board of Directors' functions to aid in the optimal performance of its roles and responsibilities. The Board shall establish as many committees as it may deem fit and necessary.
2. Committee Reporting - Each Committee must promptly inform the Board of the actions it has taken and major developments of which it becomes aware.
3. Committee Charters - All established committees shall be required to have Committee Charters which shall state their purpose, memberships, structures, and other relevant information. These Committee Charters shall provide the standards for self-assessment and be approved by the Board of Directors before posting on the Company's website.

Section 10: Stakeholder Engagement

The Company shall review guidelines for engaging with its various stakeholders, including shareholders, employees, customers, and the broader community. The Board shall:

1. If needed, enhance a communication policy to ensure that stakeholders have access to timely, accurate, and relevant information about the Company's activities.
2. Provide regular feedback mechanisms that allow stakeholders to voice their concerns or suggestions. This includes maintaining open communication channels and creating platforms for meaningful dialogue, especially during critical decision-making processes.
3. Ensure transparency and fairness in the Company's dealings with all stakeholders.

Section 11: Sustainability and ESG (Environmental, Social, and Governance)

The Company recognizes the importance of sustainability and ESG factors in its operations. The Board shall:

1. Integrate sustainability into the Company's strategic objectives, ensuring that its long-term growth aligns with environmental stewardship, social responsibility, and sound governance practices.
2. Oversee the development and implementation of policies and initiatives that promote sustainability, including reducing environmental impact, enhancing social welfare, and ensuring robust governance frameworks.
3. Ensure that ESG factors are considered in key business decisions, and that the Company regularly reports on its ESG performance to stakeholders.

Section 12: Compensation of Board Members

Subject to the approval of the Board of Directors, each director shall receive a reasonable per diem for his/her attendance at every meeting of the Board, including committee meetings.

Except for the approved bonuses, no other compensation, in any form, is paid to the Directors.

Section 13: Director's Training and Development Program

1. Each director shall be required to attend a seminar on corporate governance from duly accredited SEC training providers, such as orientation programs for first-time directors and annual continuing training for all directors.
2. The Company shall provide general access to training courses to its directors to keep them updated in their knowledge and understanding of its business. It may cover courses on corporate governance matters, such as audit, internal controls, risk management, related party transactions, sustainability, and strategy.
3. The costs of the training and development program shall be paid for by the Company.

Section 14: Annual Performance Evaluation of the Board and Key Officers

Board Evaluation Framework

To ensure continuous improvement, the Board shall:

1. Conduct an annual self-assessment to evaluate its performance, including the performance of its Committees and individual Directors.
2. Implement a comprehensive evaluation framework that includes defined criteria for assessing Board effectiveness, focusing on aspects such as strategic oversight, risk management, and decision-making.
3. Engage an external facilitator, as may be appropriate, to support the self-assessment process providing an independent review of the Board's processes and overall effectiveness.
4. Use the results of the evaluation to identify areas for improvement and to formulate appropriate action plans for enhancing Board performance.

Key Officers Evaluation (President and CEO, Executive Vice President, CFO)

The Board shall review performance evaluation framework, which includes the standard or criteria for assessment, that will ensure that the Key Officers' performance is at par with the standards set by the Board of Directors.

Section 15: Succession Planning for Management

The Board will evaluate potential successors and approve management succession strategies and plans for the Chairman, and President & Chief Executive Officer, and other executive officers of the Company. The Chairman, and President & Chief Executive officer should at all times, make available their recommendations and evaluations of their respective potential successors, along with a review of any development plans recommended for such individuals.

Section 16: Other Provisions

1. Conflict of Interests - A director must report immediately to the Chairman any conflict of interest or potential conflict of interest and shall report all relevant information on this matter pursuant to the Company's Code of Business Conduct and Ethics.
2. Confidentiality - No director shall disclose any information of a confidential nature regarding the business of the Company. He/she shall not use the confidential information of the Company for his/her personal benefit.
3. Disclosures for Regulatory Reports - Directors shall disclose any changes to information declared in their biographical data or in the General Information Sheet (Such as residential address, affiliation, status) within three (3) calendar days after the change arises.

Section 17: Charter Review

This Charter must be reviewed by the Board of Directors at least once a year or as often as deemed necessary. Any amendments and revisions to this Charter must be reviewed and approved by the Board before dissemination to its members and posting to the Company's website.

Section 18: Effectivity

This Code shall take effect upon approval.

Approved on December 17, 2024.

YANG CHI JEN (Sgd.)
Chairman of the Board/ President and CEO

LYRA GRACIA Y. LIPAE-FABELLA (Sgd.)
Corporate Secretary

JANINE G. MANZANO (Sgd.)
Compliance Officer