



SEDP-SIMBAG SA PAG-ASENSO, INC.
(A MICROFINANCE NGO)
HUMAN RESOURCES COMMITTEE CHARTER
2017

I. PURPOSE

The purpose of the Human Resources Committee is to assist the Board of Trustees in its oversight responsibilities relating to Human Resources Management. It shall oversee SEDP-Simbag's compensation, incentive and benefits policies, review middle management succession plan, oversee and set compensation for executive officers, and retain and terminate compensation consultants.

II. DUTIES AND RESPONSIBILITIES

The Human Resources Committee is responsible for the following matters;

1. Review and approve compensation, incentive and benefits policies.
2. Review and approve executive compensation for middle management officers.
3. Periodically review, in consultation with the President and CEO, the middle management succession planning.
4. Report to the Board any action it takes, recommendations or issues that arise with respect to SEDP-Simbag's compensation, incentive and benefits policies, executive compensation, middle management succession planning and any other matters that the Human Resources Committee deems appropriate or is requested to be included by the Board.
5. Perform an annual evaluation of the Human Resources Committee's performance and report such evaluation to the full Board.
6. Periodically review and assess the adequacy of this charter and recommend any changes to the Board.
7. Perform other duties and responsibilities as may be assigned from time to time by the Board.

III. ORGANIZATION

a. Membership

The Human Resources Committee shall be composed of at least three (3) members. At least one member of the Committee shall have relevant background, knowledge, skills, and/or experience in Human Resources Management.

b. Appointment and Term

The Human Resources Committee Members shall be appointed by the Board and shall serve for a term of three (3) years.

The Governance Committee shall recommend nominees for appointment to the Human Resources Committee. It shall recommend to the Board, and the Board shall designate, the Chairman of the Human Resources Committee.

The Human Resources Committee Members may be removed by the Board at any time with or without cause.

c. Duties of the Chairman

The Chairman of the Human Resources Committee shall preside in all meetings of the Committee, set meeting agendas, and perform other duties as may be assigned by the Board from time to time.

d. Secretary of the Committee

The Secretary of the Human Resources Committee shall come from the Board Secretariat. The Secretary must be an employee of SEDP-Simbag or any of its subsidiaries.

e. Resignation

Any member of the Human Resources Committee may resign effective upon approval by the Chairman of the Board.

f. Vacancies

Any vacancy in the Human Resources Committee other than by expiration of term shall be filled by appointing any member of the Board, subject to nomination by the Governance Committee. The member so appointed to fill a vacancy shall serve only the unexpired term of his/her predecessor.

g. Meetings

The Human Resources Committee shall meet at least two times per year and at such time and place the Chairman shall determine. The Committee shall report regularly about its activities to the Board.

Committee meetings shall be presided over by the Chairman or his/her designated Acting Chair and may be attended upon invitation by any members of the Management or other persons requested to provide pertinent information.

Every decision consented to by majority of the Committee members present in a meeting at which a quorum is declared shall constitute an act of the Committee.

h. Minutes

The Secretary of the Committee shall keep the minutes and other relevant records of the meetings and activities of the Committee. The minutes shall be available for review by the Board and by any regulatory institution having jurisdiction over the affairs of SEDP-Simbag.

In the event of Committee meeting or Executive Session where the Secretary is not present, the Chair shall act as the Secretary or designate an Acting Secretary for the

purpose of recording the minutes and actions taken at the Committee meeting or Executive Session.

i. Special Meeting

Special meetings of the Human Resources Committee may be called at any time by the Chair of the Committee, or by any two voting members of the Committee, or by the President and CEO of SEDP-Simbag, or by majority of the Board.

j. Authority

The Human Resources Committee has the authority to retain and terminate any compensation consultants or other advisors assisting the Human Resources Committee, including authority to approve all reasonable fees and other retention terms of such compensation consultants or advisors.

The Human Resources Committee shall receive appropriate funding from SEDP-Simbag for the payment of compensation to its compensation consultants and advisors.

k. Assessing Committee Performance

The Human Resources Committee shall annually evaluate its own performance using the Board-approved performance evaluation tool and report such evaluation to the full Board.