

**CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS (CITEM)**

Golden Shell Pavilion, Roxas Blvd., Sen. Gil Puyat Avenue, Pasay City

**GOVERNMENT CORPORATION INFORMATION ACTIVITIES**

<b>COMMITTEES</b>	<b>FUNCTIONS AND RESPONSIBILITIES</b>	<b>COMPOSITION AND MEMBERSHIP</b>
Executive Committee	<p>The Board shall create an Executive Committee composed of not less than five (5) officers of CITEM, including the Executive Director of CITEM.</p> <p>The Executive Committee, in accordance with the authority granted by the Board, or in the absence of the Board, shall act by a vote of at least four (4) of its members on such specific matters within the competence of the Board as may from time to time be delegated to the Executive Committee. except with respect to (a) approval of any action for which stakeholder's approval is also required; (b) filling of vacancies in the Executive Committee; (c) the amendment or repeal of CITEM policies, By-Laws or the adoption of new By-Laws; (d) the amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable; (e) the disposition CITEM funds;</p> <p>The attendance of at least four (4) members of the Executive Committee shall constitute a quorum. The Executive Committee shall fix its own rules of procedure. An act of the Executive Committee which is within the scope of its powers shall not require ratification or approval for its validity and effectivity, provided however that the Board may, at any time, broaden or redefine the powers of the Executive Committee.</p> <p>All actions of the Executive Committee shall be reported to the Board at the meeting thereof following such action and shall be subject to revision or alteration by the Board, provided that no rights or acts of third parties shall be affected by any such revision or alteration.</p>	<p align="center"><b>3 MEMBER COMPOSITION</b></p> <ol style="list-style-type: none"> <li>1. Sec. 16.2.1 GCG Memo Circular 2012-07 <ul style="list-style-type: none"> <li>- Not less than 3 Members of the Board</li> </ul> </li> <li>2. Sec. 22a Revised CITEM Manual of Corporate Governance <ul style="list-style-type: none"> <li>- At Least 5 Officers of CITEM</li> </ul> </li> <li>3. At Present, the CITEM Executive committee is composed of 7 Members, chaired by the CITEM Executive Director</li> </ol>

<p>Audit Committee</p>	<p>There shall be an audit Committee composed of three (3) members. A Board member, if available, shall chair the Audit Committee. Each member shall have an adequate understanding of accounting and auditing principles in general and of CITEM's financial management systems and environment in particular.</p> <p>The Audit Committee is expected, through the provision of checks and balances, to bring positive results in supervising and supporting the management of CITEM. It shall have the following particular duties and responsibilities:</p> <ol style="list-style-type: none"> <li>1. Check all the financial reports against its compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements.</li> <li>2. Perform oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of CITEM, and crisis management. These functions shall include receiving from senior management periodic information on risk exposures and risk management activities.</li> <li>3. Be responsible for setting up an internal audit department and consider the appointment of a Chief Audit Executive; establish and identify the reporting line of the Chief Audit Executive so that the reporting levels allow the internal audit activity to fulfil its responsibilities.</li> <li>4. Ensure that internal auditors have free and full access to all CITEM's records, properties and personnel relevant to and required by its function and that the internal audit activity shall be free from interference in determining its scope, performing its work and communicating its results.</li> <li>5. Oversee CITEM's internal control system and coordinate with the Commission on Audit.</li> </ol>	<p><b>3 MEMBER COMPOSITION</b></p> <p>a. Sec. 16.2.2 GCG Memo Circular 2012-07</p> <p>- At least 3 Directors, whose Chairman should have Audit, accounting or finance background</p> <p>b. Sec. 22b Revised CITEM Manual of Corporate Governance</p>
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	<ol style="list-style-type: none"> <li>6. Elevate to international standards the accounting and auditing processes, practices and methodologies.</li> <li>7. Develop a transparent financial management system that will ensure the integrity of internal control activities throughout CITEM through a procedures and policies handbook that will be used by the entire organization.</li> <li>8. Ensure that management is taking appropriate corrective actions in a timely manner in addressing control and compliance functions with regulatory agencies.</li> <li>9. Review the quarterly, half-year and annual financial statements before submission to the Board, focusing on changes in accounting policies and practices, major judgment areas, significant adjustments resulting from the audit, going concern assumptions, compliance with accounting standards, and compliance with tax, legal and COA requirements.</li> </ol>	
<p>Governance Committee</p>	<p>The Governance Committee shall assist the CITEM Board of Governors in fulfilling its corporate governance responsibilities. The Committee shall be composed of at least three (3) members of the Governing Board. The Governance Committee shall be responsible for the following:</p> <ol style="list-style-type: none"> <li>1. It shall oversee the periodic performance evaluation of the Board and its Committees and Executive Management; and shall also conduct an annual self-evaluation of its performance.</li> <li>2. Decide whether or not a Governor is able to and has been adequately carrying out his/her duties as Governor.</li> <li>3. Make recommendations to the Board of Governors regarding the continuing education of Governors, assignment to Board committees, succession plan for the Board Members and senior officers, and their remuneration commensurate with corporate and individual performance.</li> </ol>	<p><b>3 MEMBER COMPOSITION</b></p> <ol style="list-style-type: none"> <li>a. Sec. 16.2.3 GCG Memo Circular 2012-07 <ul style="list-style-type: none"> <li>- At least 3 members of the Board</li> </ul> </li> <li>b. Sec. 22c Revised CITEM Manual of Corporate Governance</li> </ol>

	<p>4. Decide the manner by which the Board's performance may be evaluated and propose an objective performance criteria approved by the Board Such performance indicators shall address how the Board has enhanced long term shareholders value.</p>	
Risk Management Committee	<p>The Risk Management Committee shall consist of at least three (3) members, and shall be responsible for the following:</p> <ol style="list-style-type: none"> <li>1. Ensure that the risk management process and culture are embedded throughout the operations of CITEM, especially at the Board level;</li> <li>2. Develop Risk Management Policy and ensure compliance with the same.</li> <li>3. Provide routine quarterly reporting and update the Board on key risk management issues as well as ad hoc reporting and evaluation on investment proposals.</li> </ol>	<p><b>3 MEMBER COMPOSITION</b></p> <ol style="list-style-type: none"> <li>a. Sec. 16.2.5 GCG Memo Circular 2012-07 1. At least 3 members</li> <li>b. Sec. 22e Revised CITEM Manual of Corporate Governance</li> </ol>
Nomination and Remuneration Committee	<p>The Nomination and Remuneration Committee shall be consist of at least three (3) members, and shall be responsible for the following:</p> <ol style="list-style-type: none"> <li>1. Install and maintain a process to ensure that Officers to be nominated or appointed shall have the qualifications and none of the disqualifications mandated under the law, rules and regulations, and</li> <li>2. Review and evaluate the qualifications of all persons nominated to positions in the organization which require appointment by the CITEM Board.</li> <li>3. Recommend to the GCG nominees for the shortlist in line with CITEM's Board Composition and succession plan;</li> <li>4. Develop recommendations to the GCG for updating the CPCS and ensuring the same continues to be consistent with the CITEM's culture, strategy, control environment, as well as pertinent Laws, Rules and Regulations.</li> </ol>	<p><b>3 MEMBER COMPOSITION</b></p> <ol style="list-style-type: none"> <li>a. Sec. 16.2.4 GCG Memo Circular 2012-07 1. At least 3 members of the Board</li> <li>b. Sec. 22d Revised CITEM Manual of Corporate Governance</li> </ol>