

Governance, Nomination and Election Committee

1. Mission of the Governance, Nomination and Election Committee

The mission of the Governance, Nomination and Election Committee is to oversee the development and implementation of corporate governance principles and policies and to provide the shareholders with an independent and objective evaluation and assurance that the membership of the Board and other appointments that require Board approval are competent and will foster the long-term success of the Corporation and secure its sustained competitiveness.

2. Organization of the Governance, Nomination and Election Committee

- 2.1. The Board establishes the Governance, Nomination and Election Committee and appoints the members of the Committee.
- 2.2. The Governance, Nomination and Election Committee shall report directly to the Board.
- 2.3. The Governance, Nomination and Election Committee may be composed of at least three (3) members from the Board, one (1) of whom shall be an Independent Director. The Board shall ensure that the members of the Governance, Nomination and Election Committee are appropriately qualified to discharge their responsibilities.
- 2.4. The Governance, Nomination and Election Committee shall appoint one of its members to be the Committee Chairman.

3. Principal Duties and Responsibilities

The Governance, Nomination and Election Committee shall be responsible for overseeing the development and implementation of corporate governance principles and policies and ensuring that the nomination and election of new members of the Board is transparent with the end objective of having the Board increase shareholder value and aligned with the Corporation's strategic direction. For this purpose, the Governance, Nomination and Election Committee shall:

- 3.1. Pre-screen, evaluate the qualifications and shortlist all candidates nominated to become a Director in accordance with pertinent provisions of the Articles of Incorporation and By-Laws of the Corporation, as well as established guidelines on qualifications, disqualifications and succession planning.
- 3.2. Recommend guidelines in the selection of nominee/s for Director/s which may include the following based on the perceived needs of the Board at a certain point in time:
 - Nature of the business of the Corporations which he is a Director of
 - Age of the Director nominee
 - Number of directorships/active memberships and officerships in other Corporations or organizations
 - Possible conflict of interest

- 3.3. Recommend guidelines in the determination of the optimum number of directorships/active memberships and officerships in other Corporations allowable for Directors. The capacity of Directors to serve with diligence shall not be compromised.
- 3.4. Recommend to the Board regarding the size and composition of the Board in view of long term business plans, and the needed appropriate skills and characteristics of Directors.
- 3.5. Assess the effectiveness of the Board's processes and procedures in the election or replacement of Directors.
- 3.6. Assist the Board of Directors in performing the corporate governance duties in compliance with the Corporation's Manual, the Revised Code of Corporate Governance, the Corporate Governance Guidelines and the listing rules of the Philippines Stock Exchange.
- 3.7. Monitor, evaluate and confirm the Corporation's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue.
- 3.8. Use professional search firms or other external sources of candidates when searching for candidates to the Board or Management as deemed necessary.

4. Meetings

- 4.1. The Governance, Nomination and Election Committee shall meet as many times as the Committee deems necessary, twice per financial year being the minimum.
- 4.2. The notice and agenda for each meeting shall be circulated to all Governance, Nomination and Election Committee members at least five (5) business days before each meeting.
- 4.3. The Governance, Nomination and Election Committee may invite other Directors and Management Officers to attend any meeting.
- 4.4. The Governance, Nomination and Election Committee Chairman shall preside in all meetings of the Committee. In his absence, the members present shall elect from among themselves one member to preside over the particular meeting.
- 4.5. A quorum shall be present if at least a majority of the members of the Governance, Nomination and Election Committee are present. No business shall be transacted at any meeting unless a quorum is present.
- 4.6. Voting on all Governance, Nomination and Election Committee resolutions shall be carried by a simple majority of votes. Each member is entitled to one vote save and except that in the event of an equality of votes, the Governance, Nomination and Election Committee Chairman or the member presiding over the meeting shall have the casting vote.

- 4.7. The Governance, Nomination and Election Committee shall cause proper records of its proceedings to be kept. Members may nominate a member or some other person to be the Committee Secretary to record and keep minutes of meetings and other proceedings.
- 4.8. Minutes of each meeting are to be prepared and subsequently circulated to the Committee members for approval.
- 4.9. The minutes and attendance of the Directors shall be circulated and disclosed to the Board and the Corporate Secretary for record purposes.
- 4.10. The Governance, Nomination and Election Committee may make further rules of procedures or vary or amend existing ones from time to time as the Committee deems fit.