

**PrimeOrion** Philippines, Inc.

**CORPORATE GOVERNANCE AND  
NOMINATION COMMITTEE  
CHARTER**

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## 1. Purpose of the Corporate Governance and Nomination Committee

The purpose of the Corporate Governance and Nomination Committee (the “Committee”) is to oversee the implementation of the corporate governance framework of the Corporation. The Committee shall assist the Board of Directors (“Board”) of Prime Orion Philippines, Inc. (the “Corporation”) in the screening and shortlisting of all candidates nominated to become a member of the Board in accordance with the qualifications and disqualifications for directors, as provided in the Corporation’s Manual on Corporate Governance (“Manual”).

The Committee shall also assist the Board in the screening and shortlisting of all nominees to positions requiring appointment by the Board.

## 2. Membership and Composition

- 2.1 The appointment of the Committee, including the designation of the Chair of the Committee and the designation of its members, shall be made on an annual basis by the majority of the Board during its organizational meeting or in case there is a vacancy, during the meeting of the Board constituting a quorum.
- 2.2 The Committee shall have a minimum of three (3) members of the Board, one of whom shall be an independent director. The Committee shall be composed in such a way that it possesses, as a group, the necessary knowledge, skills and experience required to properly perform its duties.
- 2.3 The Chairman of the Committee or any of its members may be removed from the Committee only by majority vote of the Board.
- 2.4 The Board shall appoint the members of the Committee at its annual organizational meeting and each member shall serve upon his election until the next organizational meeting of the Board, unless removed or replaced by the Board.

## 3. Responsibilities

The Committee shall have the following responsibilities:

- 3.1 Oversee the implementation of the corporate governance framework and periodically review the said framework to ensure that it remains appropriate with due consideration of material changes to the Corporation’s size, complexity and business strategy, as well as its business and regulatory environments;
- 3.2 Oversee the periodic performance evaluation of the Board and its committees as well as executive management and conduct an annual self-evaluation of its performance;

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- 3.2 Ensure that the results of the Board evaluation are shared, discussed and that concrete action plans are developed and implemented to address the identified areas for improvement;
- 3.4 Plan and recommend continuing education and training programs for directors, assignment of tasks and projects to board committees, succession plan for the board members and senior officers;
- 3.5 Adopt corporate governance policies and ensure that these are reviewed and updated regularly, and consistently implemented;
- 3.6 Determine the nomination and election process for the Corporation's directors and has the special duty of defining the general profile of board members that the Corporation may need;
- 3.7 Screen and shortlist all candidates nominated to become a member of the Board to ensure that all candidates/nominees to be nominated for election as directors at the Annual Stockholders' Meeting are qualified in accordance with the By-laws, Manual of Corporate Governance and relevant laws, rules and regulations and possess none of the disqualifications stated in the Corporation's Manual of Corporate Governance;
- 3.8 Prepare the final list of candidates for election as directors, including the independent directors, and ensure that all recommendations are signed by the nominating stockholder and accepted by the would-be nominees;
- 3.9 Encourage the selection of a mix of competent directors, each of whom can add value and contribute independent judgment to the formulation of sound corporate strategies and policies. In the selection of candidates, the objectives set by the Board regarding its composition are to be seriously considered, as well as the required knowledge, abilities and experience needed to successfully manage the Corporation. Careful attention must be given to ensure that there is independence and diversity, and appropriate representation of women in the Board, subject to the possession of the knowledge, abilities and experience determined by the Board as necessary for the Board to properly perform its functions;
- 3.10 Identify and recommend qualified individuals for nomination and election as additional directors or to fill Board vacancies as and when they arise. The election of such additional or replacement directors shall be done in accordance with By-laws of the Corporation, the Manual, applicable laws, rules and regulations;
- 3.11 Screen and shortlist all nominees to positions requiring appointment by the Board and provide guidance and advice as necessary for the appointments of persons nominated to other positions;
- 3.12 Review the size and composition of the Board, and make such recommendations to the Board to ensure compliance with the By-laws of the Corporation, the Manual, applicable laws, rules and regulations;

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- 3.13 Review and disclose succession plans for members of the Board and Key Officers; and
- 3.14 Perform such other responsibilities that may be delegated to the Committee by the Board from time to time.

#### **4. Meetings and Process**

- 4.1 The Committee shall hold meetings at such times and places as the Committee shall determine. Notice of the meeting of the Committee shall be deemed to be duly served upon a member if it is given to him/her personally, or sent to him/her by mail, email or facsimile transmission to his/her address or facsimile number, as appropriate. Notice of each meeting shall be given at least three (3) working days prior to meeting date. The Chairman of the Committee, any member of the Committee or the Corporate Secretary can call a meeting of the Committee.
- 4.2 Attendance of at least two (2) Committee members shall constitute a quorum for the Committee to transact business.
- 4.3 The Corporation's Corporate Secretary shall be the secretary of the Committee. Full minutes of the Committee meeting shall be kept by the Corporate Secretary.
- 4.4 The President, Chief Executive Officer and Chief Financial Officer may be requested to attend Committee meetings. As and when appropriate, the Committee may require other members of the Board to be present at the meetings.
- 4.5 The Chairman of the Committee shall report to the Board on the decisions and recommendations made by the Committee following each meeting.

#### **5. Performance Evaluation**

- 5.1 The Committee shall review its performance annually with respect to the fulfillment of its functions and responsibilities as mandated in this Charter.
- 5.2 The Committee shall assess its performance through a self-assessment form.

#### **6. Miscellaneous**

- 6.1 Access to Information

The Committee shall have free and full access to all relevant information, data, records and personnel of the Corporation.

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6.2. Technical Assistance

The Corporate Secretary, the management and all personnel of the Corporation shall provide assistance and support to the Committee.

The Committee may also invite such members of management and other resource persons to its meetings and may secure independent expert and/or professional advice as it may deem desirable or appropriate.

All resources necessary for the Committee to perform its duties and functions shall be provided by the Corporation, at its expense.

6.3. Records/Confidentiality

The Corporate Secretary shall keep and have custody of the records of the Committee. Except for information that are required to be disclosed pursuant to law or regulations issued by competent government authorities, the records shall be kept confidential.

**7. Amendment**

Any amendment or revision to this Charter must be approved by resolution of the majority of the Board of Directors.

—end—

**Approved by:**

Jose Emmanuel H. Jalandoni

Committee Chairman

Felipe U. Yap

Committee Member

Rex Ma. A. Mendoza

Committee Member

**Date Approved: 18 JULY 2017**