

## EXECUTIVE COMMITTEE CHARTER

This Charter establishes the purpose, composition, authority, responsibility and operations of the Executive Committee (the "Committee").

### *1. Purpose*

The Committee's purpose is to function, possess and exercise powers of the Board of Directors (BOD) which may be lawfully delegated in the management and direction of the affairs of the Corporation, during the intervals between meetings of the BOD or when the BOD is not in session.

### *2. Composition*

The Committee shall be composed of at least three (3) Directors, one of whom is the President/Chief Executive Officer.

### *3. Term of Office*

Committee Members and the Chairman shall be elected by the BOD for a one (1) year term and each Member shall serve until such member's successor is duly designated. Any Member may be removed or replaced and vacancies shall be filled by the BOD.

The Office of a Member of the Committee shall ipso facto be vacated if: (i) he resigns as a Member of the Committee, (ii) he is removed by the BOD; (iii) he is declared to be incompetent or (iv) he becomes disqualified from directorship on any grounds for disqualification.

### *4. Authority*

The Committee shall in the pursuit of its mandate:

- 4.1 Exercise all the powers of the BOD which may be lawfully delegated in the management and direction of the affairs of the Corporation in all cases in which specific directions shall not have been given by the BOD, either by resolutions, power of attorney, or contracts entered into with other parties.
- 4.2 The Committee, may act by majority vote of all its Members, on such specific matters within the competence of the BOD, as may be delegated to it in accordance with Sec. 35 of the Corporation Code, by-laws or on a majority vote of the Board, except with respect to:
  - (i) approval of any action for which Shareholders' approval is also required;
  - (ii) filing of vacancies in the BOD;
  - (iii) amendment or repeal of by-laws or the adoption of new by-laws;
  - (iv) amendment or repeal of any resolution of the BOD which by its express terms is not so amendable or repealable; and
  - (v) distribution of cash dividends to the Shareholders.

## 5. *Specific Responsibilities and Duties*

The Committee shall have the following functions and responsibilities:

- 5.1 To develop and recommend to the BOD medium to long-term strategy, with particular reference to enhancing the value for its shareholders, long term prospects for stability, growth and diversification.
- 5.2 To consider and recommend approaches to achieve the manpower, physical and financial resources required to achieve the strategic objectives.
- 5.3 To oversee and ensure that the implementation of the strategies and sustaining the Corporation's long term success and competitiveness consistent with its mission/vision.
- 5.4 To review major issues facing the organization including but not limited to the method by which resources are allocated within and without the Corporation and to receive regular reports from other Committees on these matters.
- 5.5 To monitor the operation of the Corporation and determine areas for improvement.
- 5.6 To be a point of reference and advise the BOD about the overall day-to-day business of the Corporation.
- 5.7 To foster the sharing of information in all areas of the business group and develop group-wide policies and actions in overseeing its implementation.
- 5.8 To report all its actions to the BOD on the work it has undertaken on the BOD's behalf.
- 5.9 To keep under review the performance of the Committee and to oversee the implementation of mechanisms required to measure performance.
- 5.10 Performs other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned, referred and delegated by the BOD.

## 6. Meetings

- 6.1 *Frequency:* The Committee shall meet at least four (4) times a year or as often as it considers necessary to discharge its duties and responsibilities. It shall also meet at the call of the Chairman or of any member of the Committee.
- 6.2 *Rules:* Committee meetings shall be governed by the same rules regarding meetings (including meetings by telephone conference, videoconference or other similar communication equipment), notice, waiver of notice, quorum and voting requirement as are applicable to the BOD.
- 6.3 *Minutes:* Minutes of the proceedings of the Committee shall be kept in a book provided for such purpose. All other documents shall be filed and maintained with the records of the Corporation.
- 6.4 *Secretary:* The Corporate Secretary or Asst. Corporate Secretary shall be the Committee Secretary unless otherwise determined by the Committee.
- 6.5 *Per Diem:* The Committee members shall be entitled to per diems for every attendance to a Committee meeting.

6.6 *Written Resolution:* A resolution in writing by majority Members of the Committee shall be as valid and effective for all purposes as a resolution of the Committee passed at a meeting of the Committee duly convened, held and constituted. Such resolution may be signed in counterparts and shall be subject to revision and alteration by the BOD provided no rights of third parties shall be affected by such.

## 7. Committee Assessment/Performance Evaluation

- 7.1 In order for the Committee to put in place a formal process for regularly reviewing the Committee's and its Members' overall performance and to identify areas of improvement, the Committee shall choose the type of assessment, approach and techniques for the performance evaluation.
- 7.2 The result or outcome of the performance evaluation includes the: (a) Overall Performance Report of the Committee; and (b) Performance Report of Individual Committee Members.
- 7.3 The performance evaluation of the Committee and its members shall be conducted at least once a year. The same may be undertaken (facilitated) by an external independent evaluator at least once every three (3) years.
- 7.4 The type of assessment can be through (i) self-assessment, (ii) peer evaluation and (iii) external evaluation. The evaluation approach may be in-house or third party approach and/or both.
- 7.5 Subsequent to the performance evaluation process and in order for the identified issues and challenges to be addressed adequately, the Committee shall formulate the requisite strategies and action plans to address the identified challenges.

## 8. Evaluation Standards and Guidelines

- 8.1 The performance evaluation mechanism shall cover all aspects of Committee's structure, size, composition, responsibilities and processes including analysis, action plan to address issues and enhance the efficiency of sharing the work load of the BOD.
- 8.2 In the performance evaluation of the Committee, the following specific issues shall be considered, including but not limited to:
- Appropriateness of size, structure and skill set of the Committee;
  - Adequacy and appropriateness of written terms of reference;
  - Effectiveness of the Committee in discharging its functions as per terms of reference;
  - Adequacy of the frequency of Committee meetings;
  - Organization of Committee meetings and appropriateness of procedures;
  - Manner of which Committee meetings is conducted; whether it is in a manner that encourages open communication and meaningful participation of its Members;
  - Effectiveness and proactivity of the Committee in following up with its areas of concern;
  - Effectivity of suggestions and recommendations of the Committee.

## 9. Annual Review and Proposed Changes

The Committee shall review annually the adequacy of this Charter and recommend any proposed changes or modification for approval.

*10. Amendment of Charter*

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the BOD.