

I. Introduction

The Board supports and endorses the establishment of the Corporate Governance Committee (CGC). This Charter defines the purpose, authority and responsibilities of the CGC of Chemical Industries of the Philippines, Inc. (CIP). Approval of this Charter resides with the Board of Directors.

II. Purpose

The Corporate Governance Committee has been established by the Board of Directors of the company to assist the Board

- in fulfilling its responsibility to strengthen corporate governance and practices and for ensuring the Board's effectiveness and due observance of corporate governance principles and guidelines.
- in assessing the effectiveness of the Board's nomination processes and procedures in the election and replacement of directors.
- in ensuring that compensation is consistent with the company's culture, strategy and the business environment on which the Company operates.

III. Authority

The CGC has authority to ensure compliance with and proper observance of corporate governance principles and practices. It is empowered to:

- Require management of the Company to furnish all information requested by the Committee as may be required for the purposes of performing its duties.
- Conduct any investigation required to fulfil its responsibilities on corporate governance;
- Consult or retain at company's expense such outside legal counsel, consultants or experts as the Committee may consider necessary from time to time to carry out its duties.
- Seek any information it requires from directors, officers and employees-all of whom are directed to cooperate with the committee's requests-or external parties.
- Access pertinent records in order to perform its responsibilities.

IV. Responsibilities

The CGC shall carry out the following duties and responsibilities:

- Oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;
- Oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;

- Ensures 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;
- Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
- Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- Proposes and plans relevant trainings for the members of the Board;
- Determines the nomination and election process for the company's directors and has the special duty of defining the general profile of board members that the company may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board; and
- Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the corporation's culture and strategy as well as the business environment in which it operates.

V. Membership

The Chairman and members of the CGC shall be appointed by a majority vote of the Board and shall serve until their successors are duly appointed.

The Committee shall be composed of at least three (3) independent directors, all of whom should be independent directors, including the Chairman.

The Chief Compliance Officer (CCO) shall serve as secretary of the Committee and non-voting member.

VI. Meetings

The CGC shall convene at least once every quarter or as deemed necessary. A simple majority of the members must attend to constitute a quorum.

Actions to be taken by the CGC shall require the affirmative votes of a majority of the votes cast by the BAC members present at any meeting.

The CGC Chairman and the Secretary of the Committee shall develop and distribute an agenda for each meeting.

The CGC may invite any officer or employee and external parties of the Company to attend its meeting as it deems necessary.

Committee members may attend meetings in person or by electronic or tele/video communication means.

Endorsements and approvals via email or fax may be resorted to for urgent matters which shall be confirmed/ratified in the Committee's next meeting. The respective emails are to be collected by the Secretariat.

The CGC shall maintain minutes or records of its meetings and shall give regular reports to the Board on such meetings and such other matters as required by this Charter or as the Board shall, from time to time, specify. Reports to the Board may take the form of oral reports by the CGC Chairman or any member of the CGC designated by the CGC Chairman to give such report.

VII. Reporting

The Chairman of CGC shall report its activities to the Board of Directors and its recommendations for action every Board Meeting.

VIII. Review

The CGC shall conduct an annual review of its performance and effectiveness by reference to this Charter and leading practices. This review process shall include a review of this Charter. CGC is to refer any recommended changes for decision by the Board.