



## **CORPORATE GOVERNANCE COMMITTEE CHARTER**

### **I. INTRODUCTION**

The Corporate Governance Committee of Eagle Cement Corporation (the “Company”) was constituted by the Board of Directors pursuant to the provisions of the By-Laws and the new Manual on Corporate Governance of the Company (the “CG Manual”).

This Corporate Governance Committee Charter (this “Charter”) sets out the composition, functions, and responsibilities of the Committee and the rules of procedure that will guide the conduct of its functions.

### **II. PURPOSE**

The Corporate Governance Committee is a standing committee of the Board of Directors constituted for the purpose of assisting the Board of Directors in the performance of its corporate governance responsibilities. It shall ensure compliance with and proper observance of corporate governance principles and practices.

The Corporate Governance Committee also assumes the functions that were formerly assigned to the Nomination and Remuneration Committee. As such, it is responsible for the evaluation and review of the Company’s compensation and benefit plans, and it aids the Board of Directors in the screening and shortlisting of all candidates nominated to become a member of the Board.

### **III. COMPOSITION**

The Corporate Governance Committee shall have at least three (3) independent directors as members. The Chairperson shall be an independent director.

The Board of Directors will appoint the chairman and members of the Corporate Governance Committee at the organizational board meeting that follows each annual stockholders’ meeting or at any earlier time as the Board of Directors may deem necessary. If there is a vacancy, said vacancy may be filled-up during a meeting of the Board of Directors constituting a quorum.

The Corporate Secretary of the Company is the secretary of the Corporate Governance Committee.

#### **IV. MEETINGS; COMMITTEE APPROVALS**

The Corporate Governance Committee shall meet at such times and places as it considers appropriate. The Chairperson may call a meeting at any time as needed.

All committee members are expected to attend each meeting, in person or via tele- or video-conference. The meetings are limited to the committee members and whoever is authorized by the Corporate Governance Committee to attend. In the absence of the Chairperson during any meeting, a chairperson for the meeting shall be designated by the members present.

As necessary, the Corporate Governance Committee may invite members of management and organization staff or any independent adviser to provide pertinent information or data.

The Corporate Secretary shall distribute the notice, the agenda, and the appropriate committee materials at least two (2) days before any meeting so the members can intelligently review the various matters raised.

A majority of the members of the Governance Committee shall constitute a quorum for the transaction of the committee's business.

The Corporate Governance Committee shall act only on the affirmative vote of a majority of its members at a meeting at which there is a quorum.

#### **V. DUTIES AND RESPONSIBILITIES**

1. The Corporate Governance Committee has the following duties and functions relating to corporate governance:

- a) oversee the implementation of the corporate governance framework of the Company and periodically review the said framework to ensure that it remains appropriate in light of material changes to the size, complexity and business strategy of the Company, as well as its business and regulatory environments;
- b) oversee the periodic performance evaluation of the Board of Directors and its committees as well as the Management, and conducts an annual self-evaluation of its performance;
- c) 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;
- d) recommend continuing education/training programs for directors, assignment of tasks and projects to the board committees, succession plan for the members of the Board of Directors and senior officers, and remuneration packages for corporate and individual performance;
- e) adopt corporate governance policies and ensure that these are reviewed and updated regularly, and consistently implemented in form and substance; and,
- f) propose and plan relevant trainings for the members of the Board of Directors.

2. The Corporate Governance Committee has the following duties and functions relating to the nomination and election of the board and the remuneration of officers and directors:

a) determine 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

b) establish 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 operate;

## **VI. ACCESS TO INFORMATION AND RESOURCES**

The Corporate Governance Committee shall be granted reasonably free and full access to the records, data of the Company and information from directors, officers, employees, or external parties that may be relevant in the discharge of its functions. It shall also be provided with the resources necessary for the purpose of fulfilling its duties and responsibilities under this Charter.

## **VII. REPORTING PROCEDURES**

The Chairperson of the Corporate Governance Committee, or in his absence, the member elected by the members present in a meeting, shall report at the meeting of the Board of Directors the decisions and recommendations made by the Corporate Governance Committee following each committee meeting.

## **VIII. PERFORMANCE EVALUATION; CHARTER REVISION**

The Corporate Governance Committee shall periodically assess its effectiveness by comparing its performance with the requirements of this Charter and the CG Manual to ensure compliance with best practices. The assessment will also form the basis for the formulation of objectives and plans for the improvement of its performance.

The Corporate Governance Committee may likewise be subject to an independent assessment by the Board of Directors.

## **IX. CHARTER REVISION**

The Corporate Governance Committee shall also review and assess the adequacy of this Charter annually or as conditions dictate to ensure that this Charter is continuously aligned and consistent with the objectives and responsibilities of the **Committee**. It shall recommend any modifications to this Charter as deemed appropriate and obtain the approval of the Board of Directors for any such modifications.