

# PMPC CORPORATE GOVERNANCE COMMITTEE CHARTER

The Committee is comprised solely of directors, to serve at the pleasure of the Board. The Chairperson of the Committee or, if not present, the senior independent Director present, shall preside at all meetings of the Committee. The Secretary of the Company is the Secretary of the Committee. The Chief Executive Officer / President shall meet with the Committee as appropriate.

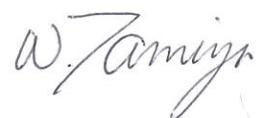
## OBJECTIVES AND RESPONSIBILITIES

### OBJECTIVES

The objective of the Committee on Corporate Governance is to consider and make recommendations to the Board on all matters pertaining to Corporate Governance. The Committee's objectives include:

1. Review the company's Manual of Corporate Governance.
2. Recommend any changes that are designed to:
  - a. ensure stockholders' right are maintained and secured;
  - b. ensure timely and effective communication with stockholders;
  - c. make the policies consistent with PMPC's core values;
  - d. promote good governance that would continue to be part of PMPC's culture;
3. Advise the Board on the company's public reporting of information on Corporate Governance practices and issues with regulatory agencies.
4. Provide a formal forum for communication between the Board and management on Corporate Governance issues;
5. Improve the effectiveness of the Board such as (a) size and composition of the Board; (b) individuals qualified to become Directors; (c) disqualification of directors; (d) nominees to the Board for action at the next annual meeting of stockholders; (e) the structure and composition of the committees of the Board; (d) Board compensation; and (f) evaluation of the effectiveness of the Board.

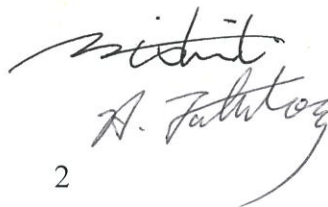
The Committee shall take a leadership role in shaping the corporate governance of the Company, including the development of a set of corporate governance guidelines for the approval of the Board. The Committee has no Board decision making responsibility, but makes considered recommendations to the Board of Directors.





## RESPONSIBILITIES

1. Report to the Board on current Corporate Governance policies and review outcomes.
2. Review and report to the Board on Corporate Governance regulatory or compliance issues.
3. Review disclosure of Corporate Governance policies and information on the Company's website.
4. Review and report to the Board on best practice developments in Corporate Governance.
5. Provide recommendations to Board on effective policies and procedures to ensure effective communication of PMPC's corporate governance policies to shareholders, media, analysts and industry participants.
6. Review the size and composition of the Board and make recommendations to the Board as appropriate. The Committee shall have sole authority for the engagement and termination of any search firm to be used to identify director candidates and sole authority to approve engagement fees and terms for such firms.
7. Review the compensation and benefits for non-employee Directors, and when appropriate, make recommendations to the Remuneration or Compensation Committee or Board for modifications.
8. Review criteria for election to the Board and recommend candidates for Board membership.
9. Evaluate at least annually the overall effectiveness of the Board and make appropriate recommendations to the Board for improvements. Evaluate at least annually the overall effectiveness of the Committee.
10. Review the structure and composition of Board committees (e.g. Audit, Compensation, and Nomination Committees among others) and make recommendations concerning the membership and the chairmanship of each committee based on seniority, expertise, and other relevant considerations.
11. Review policies concerning retirement from the Board and, as appropriate, make recommendations to the Board for changes in policy.
12. Consider and make recommendations to the Board concerning such other matters relating to the practices, policies and performance of the Board as may be appropriate from time to time.
13. Report regularly to the Board on the Committee's activities and inform the Board promptly of any issues or concerns.



  
A. Jadhav



  
  
W. Tamizh

14. Review related person transactions, and approve, disapprove or ratify such transactions in accordance with the Related Person Transaction Policy under the Policies of the Board.

### COMMITTEE MEMBERSHIP

The Committee should comprise a minimum of three (3) non-executive members of the Board of Directors. At least one (1) of the members must be independent. Members must have an understanding of and interest in corporate governance and corporate board issues, derived from membership on boards of public companies or relevant training or education.

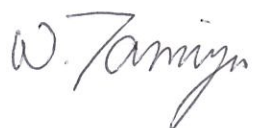
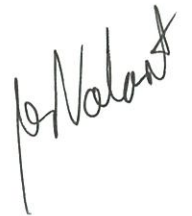
The Committee including the Chairman of the Committee will be appointed by the Board of Directors, following consideration of recommendations from the Remuneration & Nomination Committee. The Company Secretary will be the Committee Secretary. Members shall serve on the Committee for such period as the Board may determine, and may be removed from the Committee at any time upon the vote of a majority of the Board.

### MEETING AND QUORUM

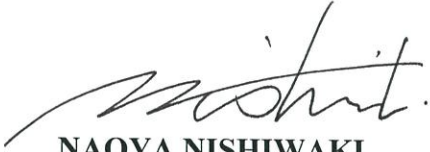
For the transaction of business at any meeting of the Committee, a majority of the Committee shall constitute a quorum. The Committee shall meet no less frequently than twice each year. Meetings may be called by the Chairperson of the Committee or upon the vote of a majority of the Board. The Committee Secretary, if any, in conjunction with the Chairman, shall draw up an agenda for meetings, which shall be circulated to each member of the Committee and attendees, at least two working days prior to each meeting. The Committee may if it deems appropriate, hold private meetings with advisers, consultant, Internal Audit, external auditors and management personnel.

### CHARTER REVIEW

The Committee shall review this Charter within three (3) months of its adoption and thereafter annually. The Corporate Governance Committee shall preside on all matters relating Corporate Governance matters. The Committee shall recommend to the Board matters that will improve the Governance process.



**Charter Read and Approved by:**



**NAOYA NISHIWAKI**  
PMPC President



**SHIGEYOSHI TERAWAKI**  
Vice-President PPH Sales / Director



**WAICHI TAMIYA**  
Vice-President Manufacturing/ Director



**MIGUEL CASTRO**  
Nominating Committee Chairman / Director



**HIROYOSHI FUKUTOMI**  
Executive Director / Compensation  
Committee Chairman



**EVANGELISTA C. CUENCO**  
Audit Committee Chairman / Independent  
Director



**EMILIANO VOLANTE**  
Independent Director



**MAMERTO MONDRAGON**  
Corporate Secretary / Compliance Officer

Date signed: 6/17/2011

## EXECUTIVE SUMMARY

**Committee Name:** **Corporate Governance Committee Charter**

**Composition:** *The Corporate Governance Committee of the Board is comprised of no fewer than 3 members of the board. At least two (2) members of this committee must be independent director.*

**Quorum:** *Quorum will be constituted by majority of the members of the committee*

**Committee Term:** *Standing Committee*

**Member Term:** *1 year, indefinite number of terms*

**Chair:** *Selected by the Board upon the recommendation of the Nomination Committee.*

### **Committee Mandate:**

- *Provide oversight and guidance to ensure that the membership, structure, policies and processes of the Board of Directors and its committees facilitate the effective exercise of the Board's role in the governance of PMPC.*
- *Comply with the Code of Corporate Governance of SEC and the Corporate Governance disclosure requirements of Philippine Stock Exchanges (PSE).*

### **Definitions:**

*Corporate Governance - the framework of rules, system and processes in the corporation that governs the performance by the Board of Directors and Management of their respective duties and responsibilities to the stockholders.*

### **Detailed Responsibilities and Duties:**

1. *Report to the Board on current Corporate Governance policies and review outcomes.*
2. *Review and report to the Board on Corporate Governance regulatory or compliance issues.*
3. *Review disclosure of Corporate Governance policies and information on the Company's annual report and website.*