

Nomination Committee

The Board may constitute a Nomination Committee consisting of at least three (3) Director-members, one of which shall be an independent director. The Head of the Human Resources Department shall be a non-voting ex-officio member.

The Nomination Committee may review and evaluate the qualifications of all persons nominated to the Board, as well as those nominated to other positions requiring appointment by the Board, and provide assessment on the Board's effectiveness in directing the process of renewing and replacing the Board's members.

The Nomination Committee may consider the following guidelines in the determination of the number of directorships for the Board:

- The nature of the business of the Corporation of which he is a director;
- Age of the director;
- Number of directorships/active memberships and officerships in other corporations or organizations; and
- Possible conflict of interest.

The Chief Executive Officer and other executive directors shall submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.

The Nomination committee may pre-screen and shortlist all candidates nominated to become a member of the Board of Directors, taking into account the following qualifications and disqualifications:

Qualifications

- (1) Holder of at least one (1) share of stock of the Corporation;
- (2) He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;
- (3) He shall be at least twenty one (21) years old;
- (4) He shall have proven to possess integrity and probity; and
- (5) He shall be assiduous.

Permanent Disqualifications

- (1) Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery,

false affirmation, perjury or other fraudulent acts;

- (2) Any person finally found by the Commission or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Commission or Bangko Sentral ng Pilipinas;
- (3) Any person judicially declared to be insolvent;
- (4) Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs;
- (5) Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment;
- (6) Any person finally convicted judicially or order by an administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, future commission merchant, commodity trading advisor, or floor broker, or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;
- (7) Any person, who, by reason of misconduct, is enjoined by final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker, (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities.

The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or has otherwise been restrained to engage in any activity involving securities and banking, or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership participation or association with a member or participant of the organization.

- (8) All other grounds for disqualification under the Articles of Incorporation and By-Laws of the Corporation.

Temporary Disqualifications

- (1) Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;
- (2) Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of Directors during his incumbency, or any twelve (12) months period during said incumbency. This disqualification applies for purposes of the succeeding election;
- (3) Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;
- (4) Being under preventive suspension by the Corporation;
- (5) If the independent director becomes an officer or employee of the same corporation, he shall be automatically disqualified from being an independent director;
- (6) Conviction that has not yet become final referred to in the grounds for disqualification of directors.