

NOMINATION COMMITTEE CHARTER

The Nomination Committee advises the Board with respect to matters relating to the composition of the Board. The Board identifies individuals qualified to become Board members and, consistent with criteria reviewed by the Nomination Committee and approved by the Board, recommends to the Board nominees for director for approval at the next annual meeting of stockholders, including any incumbent directors.

I. Purposes

The purposes of the Nomination Committee (the “Committee”) is to identify individuals qualified to become members of the Board of Directors (the “Board”) and, consistent with criteria approved by the Board, recommend that the Board select the Director nominees for the next annual meeting of stockholders.

It shall prescreen and short list all candidates nominated to become a member of the board of directors in accordance with the qualifications criteria and grounds for disqualification provided in Annex “I” hereof.

In consultation with the executive or management committees, review at regular intervals and if so necessary redefine the role, duties and responsibilities of the Chief Executive Officer with the aim of maintaining at all times acceptable standards of good governance.

II. Membership

The Committee shall be composed of three or more Directors, one of whom shall be independent Directors as determined by the Board pursuant to the Securities and Exchange Commission’s definition of independence. The Chair and members of the Committee shall be appointed annually by the Board. Vacancies shall be filled by election by the Board, and any member of the Committee may be removed by the Board. The Committee shall have the power and authority to delegate any of its duties or responsibilities herein to a subcommittee comprised of one or more members of the Committee.

III. Meetings

1. The Committee shall meet in accordance with the annual meeting schedule or at the call of the Chair or a majority of the members. A majority of the members of the Committee shall constitute a quorum for the transaction of business.

2. Procedures fixed by the Committee shall be subject to any applicable provision of the Company’s By-laws. Written minutes of each meeting shall be duly filed in the Company records, and reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting and shall be accompanied by any recommendations to the Board approved by the Committee.

IV. Key Responsibilities

1. Develop and recommend for approval by the Board a set of criteria for Board membership. Identify, evaluate and attract qualified individuals to become Directors who satisfy such criteria. Make recommendations to the Board regarding Director candidates for membership on the Board, including the slate of Director nominees to be proposed by the Board for election by the stockholders at the annual meeting of stockholders and any director nominees to be elected by the Board to fill interim director vacancies. Establish and follow procedures for the recommendation of Director candidates by the Company’s

stockholders and the consideration by the Governance Committee of Director candidates so recommended.

2. Assess the contributions and independence of incumbent Directors in determining whether to recommend them for re-election to the Board at the annual meeting of stockholders.
3. Make recommendations to the Board on such matters as the retirement age, tenure and removal of Directors.
4. Manage the Board performance review process and review the results with the Board on an annual basis.
5. Recommend to the Board candidates for appointment to Board committees and consider periodically rotating Directors among the committees.
6. Review directorships in other public or private companies (excluding charitable or non-profit organizations) held by or offered to Directors and executive officers of the Company.
7. Review and assess the channels through which the Board receives information and the quality and timeliness of information received.
8. Perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee deems appropriate.

The Guidelines set forth below can be used as the procedures and safeguards in the director selection process:

- i.) The Nominations Committee (the "Committee"), through the Corporate Secretary receives all letters nominating candidates for election as directors/independent directors from stockholders. The Corporate Secretary should set a reasonable period for the submission of nominations of candidates for election to the Board of Directors. All nominations for directors submitted in writing to the Corporate Secretary within such nomination period shall be valid. A stockholder of record, including a minority stockholder, entitled to notice of and vote at the regular or special meeting of the stockholders for the election of directors shall be qualified to be nominated as a director.
- ii.) The Committee evaluates and screens nominees for directors based on the letter-nominations received by the Corporate Secretary from the pool of candidates submitted by the nominating stockholders *vis-à-vis* the applicable qualifications and disqualifications as prescribed under the Securities and Regulation Code, the Corporation Code and as provided in Annex "I" hereof while ensuring that said qualifications are in line with the strategic objectives of the Company. The Committee shall prepare a Final List of Candidates after considering the qualifications and disqualifications of the nominees. The said list shall contain all the information about these nominees. Only nominees qualified by the Committee and whose names appear on the Final List of Candidates shall be eligible for election as Directors or Independent Directors. Nominations shall not be accepted on the floor during the annual stockholders' meeting.
- iii.) For nominees for independent directors, the Committee determines whether or not the nominees meet the independence criteria set forth in the Securities and Regulation Code, Company's Manual on Corporate Governance, By-Laws and other applicable policy, law or regulation.

iv.) The Committee also considers other relevant factors, such as any conflict of interest and directorships and/or positions in other corporations, which may compromise their capacity to diligently and effectively serve and perform their duties to the Board, the Company and its stakeholders, when elected.

v.) With the assistance of an executive search firm, if necessary, the Committee shall develop a list of nominees to be recommended to the Board, ensuring thereby that:

- the composition of the Board is an effective and balanced mix of knowledge, expertise, experience, complementary skills and talents that are mutually enforcing and promotes diversity in terms of age, gender and ethnicity, among others; and
- the selection of directors and independent directors is aligned and consistent with the Company's Mission, Vision and strategic directions and the Board's duties and responsibilities. Whenever applicable, the Committee shall undertake the following procedures:
 1. Identification of the necessary skills and qualifications that are aligned and will promote the achievement of the Company's Mission, Vision and strategic objectives.
 2. Assessment of the existing board's composition which entails cataloging member's skills and experience;
 3. Comparison of the existing board's inventory of qualifications with the list of desired skills and experience to develop a clear picture of gaps, if any. The Committee may also identify potential upcoming vacancies owing to retirement or resignation in order to account for potential required skills and qualifications.
 4. The gaps, if any, should function as the driving criteria for the specified qualifications which the Committee shall assemble upon which the nominees shall be measured against.

vi.) Nominees for independent directors who accept the nomination are requested to submit to the Committee a Certification of Independent Director stating his/her qualification and a list of affiliations and positions that may directly or indirectly give rise to conflict of interest or may contravene applicable regulations. For those in government service or affiliated with government agency or government owned and controlled corporations, he shall secure written permission or consent from the head of the agency/department pursuant to civil service rules.

vii.) The Committee submits to the Board of Directors its recommended list of final nominees.

viii.) The nominees approved by the Board are recommended for election as directors at the meeting of the stockholders or the Board, as the case may be. In the search of potential nominees, the Committee may use external sources, such as professional search firms, director databases and/or other reputable external sources to further enhance the search for and widen the base of potential nominees.

For this purpose, the Nomination Committee may consider the following guidelines in the recommending to the Board for approval of the shareholders a maximum number of directorships for individual members of the Board:

- The nature of the business of the Corporations which he is a director;
- Age, and physical capacity of the director,

The optimum number shall be related to the capacity of a director to perform his duties diligently in general.

On the other hand, the Chief Executive Officer and other executive directors should 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.

V. Outside Advisors

The Committee shall have the authority to retain such outside counsel, experts and other advisors as it determines appropriate to assist it in the full performance of its functions, including the sole authority to retain and terminate search firms used to identify Director candidates, and to approve any such search firm's fees and other retention terms.

VI. Miscellaneous

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

ANNEX “B”

COMPENSATION AND REMUNERATION COMMITTEE CHARTER

The Compensation Committee assists the Board and the Company's management in defining the Company's executive compensation policy and in carrying out various responsibilities relating to compensation of the Company's executive officers and directors, including: evaluating and approving compensation to the Chief Executive Officer and evaluating and recommending to the Board compensation to all other executive officers; reviewing and recommending to the Board compensation to non-employee directors; and overseeing the development and administration of the Company's equity compensation and benefit plans.

I. Purposes

Review and if necessary establish a formal and transparent policy on executive remuneration and recommend to the shareholders the remuneration of directors.

The determination of the remuneration of senior management and other key personnel is the responsibility of the chief executive officer and/or the Executive Committee. The compensation and remuneration committee should however ensure that compensation levels are consistent with the Corporation's financial capability as well as reasonable industry standards.

Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all officers and directors, which should require all officers and directors to declare under the penalty of perjury all their existing business interests or share holdings that may directly or indirectly conflict with their performance of duties to the Corporation. Such Disclosures should be updated at least every year. It should be clear that it is mandatory for officers and directors even within the yearly reporting period to declare prior to actually investing in or acquiring an interest, being employed or retained in any manner by a competitor or potential competitor.

II. Membership

The Committee shall be composed of three or more Directors, at least one (1) of whom shall be an independent director as determined by the Board pursuant to the Securities and Exchange Commission and the Philippine Stock Exchange's definition of independence. The Chair and members of the Committee shall be appointed annually by the Board on recommendation of the Governance Committee. Vacancies shall be filled by approval of the Board on recommendation of the Governance Committee, and any member of the Committee may be removed by the Board. The Committee shall have the power and authority to delegate any of its duties or responsibilities herein to a subcommittee comprised of one or more members of the Committee.

III. Meetings

1. The Committee shall meet in accordance with the annual meeting schedule or at the call of the Chair or a majority of the members. A majority of the members of the Committee shall constitute a quorum for the transaction of business.

2. Procedures fixed by the Committee shall be subject to any applicable provision of the Company's By-laws. Written minutes of each meeting shall be duly filed in the Company records, and reports of meetings of the Committee shall be made to the Board

at its next regularly scheduled meeting following the Committee meeting and shall be accompanied by any recommendations to the Board approved by the Committee.

IV. Key Responsibilities

1. Assist management and the Board in defining an executive compensation policy that (a) attracts, retains and appropriately rewards key executives of the Company, (b) links compensation with achievement of the Company's business objectives and (c) aligns the interests of key executives with the long-term interests of the Company's stockholders.
2. Annually (or bi-annually in the case of bonus amounts) review and approve corporate goals and objectives relevant to the base salary, bonus amount and other compensation of the Chief Executive Officer/President and the Company's other officers.
3. Evaluate the performance of each of the Chief Executive Officer/President and the Company's other officers in light of those goals and objectives, and determine and approve the compensation level, including base salary, bonus amount and other compensation, if any, of each such officer based on this evaluation and other relevant factors. Evaluation of the Chief Executive Officer/President's performance shall be made in consultation with the Governance Committee.
4. Make recommendations to the Board with respect to incentive compensation plans and equity-based plans, including overseeing the development of new compensation plans and the revision of old plans.
5. Administer the Company's incentive compensation and equity-based plans, and approve restricted stock awards, stock option grants and other equity-based or incentive awards under these plans, including any performance criteria relating to these plans or any awards.
6. Review the Company's employee benefit plans and either recommend plan changes to the Board or amend such plans, subject where required by shareholder approval.
7. Recommend to the Board retainer, other compensation, and attendance fees, including Board committee attendance fees, for non-employee Directors.
8. Annually review and discuss with the Company's management the Compensation Disclosure to be included in the Company's annual report and SEC Form 17-A and SEC Form 20-IS.
9. Provide in the Corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year.
10. Evaluate annually the performance of the Committee and the adequacy of this Charter.
11. Perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee deems appropriate.

V. Outside Advisors

The Committee shall have the authority to retain such outside counsel, experts and other advisors as it determines appropriate to assist it in the full performance of its functions, including the sole authority to retain and terminate compensation consultants to assist in the evaluation of Director, Chief Executive Officer or other senior executive compensation and to approve any such compensation consultant's fees and other retention terms.

VI. Miscellaneous

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

ANNEX “C”

AUDIT COMMITTEE CHARTER

I. Purpose

The purpose of the **Audit Committee** (the ‘Committee’) of the **Board of Directors** (the “Board”) of **A Brown Company, Inc.** (the “Company”) is to enhance the Board’s oversight capability over the Company’s financial reporting, internal control system, internal and external audit processes and compliance with applicable laws and regulations.

The Audit Committee is responsible for overseeing the senior management in establishing and maintaining an adequate, effective and efficient internal control framework. It ensures that systems and processes are designed to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations, and safeguarding of assets.

The Audit Committee members are not professional accountants or auditors and their functions are not intended to duplicate or to certify the activities of management and the independent auditor under applicable rules. Management is responsible for preparing the Company’s financial statements, and the independent auditors are responsible for auditing those financial statements.

II. Membership

The Committee shall be appointed by the Board and shall be composed of at least three (3) non-executive members of the Board, the majority of whom, including the Chairman, shall be independent. The Chairman shall not be the Chairman of the Board and of other Board Committees. Each member shall have adequate understanding at least or competence at most of the Corporation’s financial management systems and environment particularly, in the areas of accounting, audit and finance or relevant business experience who meet the independence standards of the Securities and Exchange Commission (“SEC”) and the Philippine Stock Exchange (“PSE”) and other applicable laws and regulations. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

In case of any vacancy in the Committee, the Board shall appoint a replacement who will fill the vacancy at any meeting of the Board subject to the provision of this Charter. Committee members may receive no compensation from the Company other than director’s fees.

III. Meeting

The Committee will meet as often as may be deemed necessary or appropriate in its judgment, at least quarterly each year, and at such times and places as the Committee shall determine. The majority of the members of the Committee shall constitute a quorum. The Committee will meet separately, at least quarterly, with the independent internal and external auditors and management to discuss any matters that they wish to bring to the Committee’s attention.

The Committee shall report to the Board with respect to its meetings, including any issues that arise with respect to the quality or integrity of the Company’s financial statements, the Company’s compliance with legal or regulatory requirements, and/or the performance and independence of the Company’s independent external and internal auditors.

The Audit Committee meets with the Board at least every quarter without the presence of the CEO or other management team members, and periodically meets with the head of the internal audit and/or external auditor as it deems necessary.

IV. Committee Authority and Responsibilities

The primary responsibility of the Committee is to oversee the Company's financial controls and reporting processes on behalf of the Board and report the results of its activities to the Board. The Committee in carrying out its responsibilities believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee should take the appropriate actions to set the overall corporate "tone" for quality financial reporting, sound business risk practices, and ethical behavior.

The following shall be the principal recurring processes of the Committee in carrying out its oversight responsibilities. The Committee may perform such other duties and responsibilities as are consistent with its purpose and as the Board or the Committee deems appropriate.

Appointment, Compensation, Retention, Rotation and Oversight of Independent External Auditor

1.) Independent external auditor.

The Audit Committee shall recommends to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the corporation, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders. In the selection of external auditor, the Audit Committee's responsibility includes assessing the integrity and independence of external auditor as well as reviewing and monitoring their suitability and effectiveness on an annual basis to determine whether or not to re-appoint the external auditor.

The independent auditor (external auditor) shall be selected and appointed or ratified by the stockholders upon the recommendation of the Audit Committee and approval of the Board from the pool of duly accredited independent auditor by the regulatory authorities, e.g. Securities and Exchange Commission (SEC). The external auditor or the lead partner thereof primarily responsible for the audit of the company or the review thereof shall be rotated or changed at least once every five (5) years or as determined by the regulatory authorities.

The Committee shall also be responsible for: (a) ensuring its receipt from the independent auditors of a formal written statement delineating all relationships between the auditor and the Company, consistent with Philippine Standards on Auditing and Philippine Financial Reporting Standards, (b) actively engaging in a dialogue with the auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor, and (c) taking, or recommending that the full Board take, appropriate action to oversee the independence of the outside auditor. In connection with these responsibilities, the Committee shall discuss the auditor's independence from management and the Company, including whether the auditors' performance of permissible non-audit services is compatible with their independence. This process will include, at least annually, the Committee's review of the independent auditors' internal control procedures, any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or

more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues; and (to assess the auditor's independence) all relationships between the independent directors and the Company. The Company shall review the use of auditors other than the independent auditor in cases such as management's request for second opinions.

Approval of Audit Engagement and the Related Audit Scope and Audit Plans

The Committee shall pre-approve all audit plans, scope and frequency before the conduct of the external audit.

2.) Audit services. The Committee shall discuss with the independent external auditors the overall scope and plans for their respective audits including their respective responsibilities and the adequacy of staffing and compensation. The Committee shall approve in advance all audit engagement fees and the terms of all audit services to be provided by the independent auditors.

3.) Permissible non-audit services. The Committee shall establish policies and procedures for the engagement of the independent external auditors to provide permissible non-audit services, which shall include pre-approval of permissible non-audit services to be provided by the independent external auditors. The Committee may, from time to time, delegate its authority to pre-approve non-audit services to one or more Committee members, provided that such delegate(s) present any such approvals to the full Committee at its next scheduled meeting.

The Committee should evaluate and determine the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the corporation's overall consultancy expenses. The committee should disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the corporation's Annual Report and Annual Corporate Governance Report;

4.) Nature, Scope and Expenses on Audit Services. Prior to the commencement of the audit, the Committee discusses with the External Auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;

Review of Financial Reports

The Committee shall check all financial reports against its compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements. It shall review the reports submitted by the internal and external auditors. It shall review and approve the interim and annual financial statements before their submission to the Board with particular focus on the following matters:

- Any change/s in accounting policies and practices
- Areas where a significant amount of judgment has been exercised
- Significant adjustments resulting from the audit
- Going concern assumptions
- Compliance with accounting standards
- Compliance with tax, legal and regulatory requirements

5.) Review of interim financial statements; earnings releases. The Committee shall review the interim financial statements, and the Company's disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations

with management prior to the filing of the Company's Quarterly Report on SEC Form 17-Q. The Committee will discuss the Company's policies and procedures with respect to earnings releases, financial information and earnings guidance provided to analysts and rating agencies. The Committee will discuss the results of the quarterly review and any other matters required to be communicated to the Committee. The Chairman of the Committee may represent the entire Committee for the purposes of this review.

6.) Review of annual audited financial statements. The Committee shall review with management and the independent external auditor the financial statements to be included in the Company's Annual Report on SEC Form 17-A (or the annual report to shareholders), including (a) their judgment about quality, not just acceptability, of the Company's accounting principles, including significant financial reporting issues and judgments made in connection with the preparation of the financial statements; (b) the clarity of the disclosures in the financial statements; and (c) the Company's disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations, including critical accounting policies.

The Committee will also review with management and the independent external auditor (a) major issues regarding accounting principles and financial statement presentations, including significant changes in the selection or application of accounting principles; (b) major issues regarding the adequacy of internal controls and steps taken in light of material deficiencies; and (c) the effects of alternative accounting methods and regulatory and accounting initiatives on the financial statements. The Committee's oversight work with the external auditor for the purpose of preparing or issuing an audit report or performing other audit review or attest services for the Company includes communicating any disagreement and resolution of disagreements between management and the auditor regarding financial reporting.

The Committee will discuss the results of the annual audit and any difficulties the independent auditors encountered in the course of their audit work, including any restrictions on the scope of the auditors' activities or on access to requested information, and any significant disagreements with management. The Committee will also discuss any other matters required to be communicated to the Committee by the independent external auditor under generally accepted auditing standards, and the annual report on internal controls by the Chief Executive Officer and Chief Financial Officer, as received by the independent external auditor.

Based on these reviews, the Committee will make a recommendation to the Board as to whether the audited financial statements should be included in the Company's Annual Report on SEC Form 17-A.

7.) External Auditor's Management Letter. The Committee shall review the disposition of the recommendations in the External Auditor's management letter;

Appointment and Oversight of Internal Auditors

8.) Approval of Internal Audit Charter including Internal Audit Plan. The Committee recommends the approval of the Internal Audit Charter (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter. The Committee shall pre-approve all audit plans, scope and frequency before the conduct of the internal audit.

9.) Internal controls, disclosure controls and procedures. Through the Internal Audit (IA) Department, the Committee monitors and evaluates the adequacy and effectiveness of the corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances should be in place in order to (a)

safeguard the company's resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of the company's financial data, and (d) ensure compliance with applicable laws and regulations;

The Committee will review and discuss with management and the internal auditors the Company's internal controls. The Committee will review and discuss the Company's disclosure controls and procedures, and the periodic assessments of such controls and procedures by the CEO and/or President and Chief Finance Officer/Controller.

To help the senior management in setting-up and monitor the effectiveness of the company's internal control system, the Committee shall organize an internal audit department (in-house or outsourced) and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal.

The independent internal audit function which shall be performed by an Internal Auditor or a group of Internal Auditors, through which the Board, senior management, stockholders and other stakeholders shall be provided with reasonable assurance that its key organizational and procedural controls are effective, appropriate and complied with.

The minimum internal control mechanisms for management's operational responsibility shall center on the CEO and/or President, being accountable for the corporation's organizational and procedural controls. The scope and particulars of a system of effective organizational and procedural controls shall be based on the following factors: the nature and complexity of the business; the volume, size and complexity of transactions; the degree of risk; the degree of centralization and delegation of authority; the extent and effectiveness of information technology and the extent of regulatory compliance.

10.) Oversight of Internal Audit and Appointment of Internal Auditor (In-house or Outsourced Service Provider). The Committee oversees the Internal Audit Department of the Company and appoint an in-house internal auditor or an outsourced internal audit service provider. The Audit Committee also approves the terms and conditions for outsourcing internal audit services, its overall scope and internal audit plans including their respective responsibilities and the adequacy of staffing and compensation or fees. The Committee shall approve in advance all audit engagement fees to be provided by outsourced internal audit service provider.

11.) Reporting Line of Internal Auditor. The Committee establishes and identifies the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he should directly report to the Audit Committee. The Audit Committee shall ensure that in the performance of the work of the internal auditor, he shall be free from interference by outside parties.

12.) Internal Auditor's Findings and Recommendations. The Committee reviews and monitors Management's responsiveness to the Internal Auditor's findings and recommendations;

Direct Interface Functions of Internal and External Auditors

13.) Independence of Internal and External Auditors and Accessibility to Records. The Committee shall perform oversight functions (direct interface functions) over the corporation's Internal and External Auditors. It ensures the independence of Internal and External Auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;

Other Duties and Responsibilities

14.) Complaint procedures. The Committee will establish procedures for receipt, retention and treatment of complaints regarding accounting, internal accounting controls, and auditing matters, including procedures for confidential, anonymous submission of concerns by employees regarding accounting and auditing matters.

The Committee shall respond to any request from management for evaluation of compliance with the Corporate Code of Conduct, Manual on Corporate Governance and Standard Operating Policies and Procedures. The task of ensuring that the Corporate Code of Conduct has been understood and religiously complied with is collectively entrusted to both the Human Resource Division and the Department or Division where the employee is affiliated. The Compliance Officer shall be responsible for determining violations on the Manual on Corporate Governance through notice and hearing and shall recommend to the Chairman of the Board the penalty for such violation, for further review and approval of the Board.

15.) Hiring of auditor personnel. The Committee shall set clear hiring policies with regard to employees and former employees of the independent auditors.

16.) Periodic Review of Audit Committee Charter. The Committee shall periodically (but no less than annually) review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

17.) Annual performance evaluation. The Committee shall annually review its own performance.

18.) Investigative authority. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company.

19.) Training and Education. As part of their continuing education, each member shall attend seminar on corporate governance conducted by a duly recognized private or government institute and accredited by the Securities and Exchange Commission. Each member is also encouraged to attend seminars and trainings relevant to their performance as members of the Audit Committee, e.g. financial reporting and audit, internal control, risk management and others.

20.) Compliance with Laws, Rules and Regulations. The Committee shall coordinate, monitor and facilitate compliance with laws, rules and regulations;

21.) Risk Assessment and Promotion of Risk Awareness. The Committee will review and discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

The Audit Committee with the Risk Oversight Committee will provide oversight over management's activities in managing credit, market, liquidity, operational, legal and other risks of the corporation. This function shall include regular receipt from management of information on risk exposures and risk management activities.

All directors, officers and employees shall be made aware of risks involved if actions taken are not in conformity with the existing government laws, rules and regulations; company's Corporate Code of Conduct, company's Manual on Corporate Governance and company's Standard Operational Policies and Procedures.

Adequate number of printed copies of the company's Corporate Code of Conduct, Manual on Corporate Governance and Standard Operational Policies and Procedures must be

reproduced and distributed for reading and reference or must be readily available for easy access by all directors, officers and employees to enjoin continuing compliance.

22.) Related-Party Transactions. The Committee will review and have prior-approval authority for related-party transactions (including transactions of related parties as defined in the applicable Philippine Stock Exchange listing standards).

23.) Board Risk Oversight and Related Party Transactions Committee Functions. In case the company does not have a separate Board Risk Oversight Committee and/or Related Party Transactions Committee, the Audit Committee performs the functions of said committees.

V. Outside Advisors. The Committee shall have the authority to retain such outside counsel, accountants, experts and other advisors as it deems appropriate to assist the Committee in the performance of its functions. The Committee shall have sole authority to approve related fees and retention items. The Company will provide appropriate funding, as determined by the Committee, for Compensation to any such outside advisors engaged by the Committee.

VI. Miscellaneous. Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

RISK OVERSIGHT COMMITTEE CHARTER

I. Purpose

The Risk Oversight Committee is established for the purpose of assisting the Board in overseeing the company’s practices and processes relating to risk assessment and risk management; maintaining an appropriate risk culture, reporting of financial and business risks and associated internal controls. The Risk Oversight Committee will assist the board in providing framework to identify, assess, monitor and manage the risks associated with the company’s business. It helps the Board to adopt practices designed to identify significant areas of business and financial risks and to effectively manage those risks in accordance with company’s risk profile.

II. Membership

The Committee shall be appointed by the Board and shall be composed of at least three (3) members, majority of whom shall be independent directors including the Chairman who is not at the same time the Chairman of the Board or as practicable, of any other Board Committee who meet financial-literacy and independence standards of the Securities and Exchange Commission (SEC). At least one member of the Committee shall have adequate and competent understanding and experience on risk management principles and practices, in addition to thorough knowledge of the Company’s business and industry in which it operates.

Vacancies may be filled at any time during the year by action of the full Board. The term of the service for Committee members shall be one year or until their successors shall be duly elected and qualified. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership. The Chair of the Committee shall be an independent director.

III. Meetings

The Committee shall meet at least quarterly each year or more frequently as circumstances dictate. The Committee will also periodically meet with management, the internal auditor and risk management officer to discuss any matters that they wish to bring to Committee’s attention. A quorum at any Committee meeting shall be at least a majority of the Committee. All determinations of the Committee shall be at least a majority of its members present at a meeting duly called for and held. Minutes of all meetings of the Committee shall be prepared to document the Committee’s discharge of its responsibilities. The minutes shall be circulated in draft form to all committee members to ensure an accurate final record shall be approved at a subsequent meeting of the Committee and distributed periodically to the full Board.

IV. Key Responsibilities

The Risk Oversight Committee (ROC) shall have the following duties and responsibilities:

1.) Develops a formal enterprise risk management plan which contains the following elements: (a) common language or register of risks, (b) well-defined risk management goals, objectives and oversight, (c) uniform processes of assessing risks and developing strategies to manage prioritized risks, (d) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures. The development of a formal risk management policy will guide the company’s risk management and compliance processes and procedures. The Risk Oversight

Committee should design and undertake its enterprise-wide risk management activities in accordance with internationally recognized frameworks;

2.) Oversees the implementation of the enterprise risk management plan through a Management Risk Oversight Committee. The ROC conducts regular discussions on the Company's prioritized and residual risk exposures based on regular risk management reports and assesses how the concerned units or offices are addressing and managing these risks. Discuss and review policies with respect to risk assessment and risk management including the company's major financial and business risk exposures and the actions the management has undertaken to control them;

3.) Evaluates the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The ROC revisits defined risk management strategies, looks for emerging or changing material exposures, and stays abreast of significant developments that seriously impact the likelihood of harm or loss;

4.) Advises the Board on its risk appetite levels and risk tolerance limits. Set the tone and influence the culture of risk management which includes determining the appropriate risk appetite (risk-taker or risk-averse) or level of exposure as a whole or on any relevant individual issue; determining what types of risk are acceptable and which are not;

5.) Reviews at least annually the Company's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the Company;

6.) Assesses the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the Corporation and its stakeholders. Monitor the management of significant risk to reduce the likelihood of unwelcome surprises. Satisfy itself that less significant risks are being actively managed with the appropriate controls in place and working effectively;

7.) Provides oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management;

8.) Reports to the Board on a regular basis, or as deemed necessary, the Company's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary. Annually review the company's approaches to risk management and recommends to the Board changes or improvements to key elements of its processes and procedures and

9.) Performs other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board.

10.) Other duties and responsibilities are provided in the Risk Oversight Committee Charter.

V. Outside Advisors

The Committee shall have the authority to retain such outside counsel, accountants, experts and other advisors as it deems appropriate to assist the Committee in the performance of its functions. The Committee shall have sole authority to approve related fees and retention items. The Company will provide appropriate funding, as determined by the Committee, for Compensation to any such outside advisors engaged by the Committee.

VI. Miscellaneous

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

CORPORATE GOVERNANCE COMMITTEE CHARTER

The Corporate Governance Committee advises the Board with respect to matters relating to corporate governance and performance of the Chief Executive Officer/President. It develops and recommends to the Board a set of corporate governance principles applicable to the Company, and oversees the evaluation of the Board, the Board Committees and the Senior Management including but not limited to Chief Executive Officer/President.

I. Purposes

The Governance Committee shall oversee the formulation or review and implementation of the corporate governance structure and policies of the company; and assist in the conduct of self-assessment of the performance and effectiveness of the Board, the Board Committees and the individual Board members in carrying out their functions as set out in this manual and the respective charters of the Board Committees.

II. Membership

The Committee shall be composed of at least three members, majority of whom should be independent directors, including the Chairman as determined by the Board pursuant to the Securities and Exchange Commission’s definition of independence. The Chair and members of the Committee shall be appointed annually by the Board.

Vacancies shall be filled by election by the Board, and any member of the Committee may be removed by the Board. The Committee shall have the power and authority to delegate any of its duties or responsibilities herein to a sub-committee comprised of one or more members of the Committee.

III. Meetings

1. The Committee shall meet in accordance with the annual meeting schedule or at the call of the Chair or a majority of the members. A majority of the members of the Committee shall constitute a quorum for the transaction of business.

2. Procedures fixed by the Committee shall be subject to any applicable provision of the Company’s By-laws. Written minutes of each meeting shall be duly filed in the Company records, and reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting and shall be accompanied by any recommendations to the Board approved by the Committee.

IV. Key Responsibilities

The Corporate Governance (CG Committee) is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. It has the following duties and functions, among others:

- 1.) 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;

- 2.) Oversees the periodic performance evaluation of the Board and its committees as well as executive management including but not limited to evaluation of the Chief Executive Officer/President, and conducts an annual self-evaluation of its performance;
- 3.) 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;
- 4.) Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers,
- 5.) Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- 6.) Proposes and plans relevant trainings for the members of the Board;
- 7.) Review and make recommendations to the Board regarding proposals of stockholders that relate to corporate governance.
- 8.) Review and reassess the adequacy of this Charter at least annually.
- 9.) Perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee deems appropriate
- 10.) In case the Company does not have a separate Nomination Committee and/or Compensation and Remuneration Committee, the Corporate Governance Committee performs the functions of said Committees, including but not limited to the following:
 - a.) 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;
 - b.) Recommends remuneration packages for corporate and individual performance;
 - c.) 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. Outside Advisors

The Committee shall have the authority to retain outside counsel, experts and other advisors as it determines appropriate to assist it in the full performance of its functions and to approve their fees and other retention terms.

VI. Miscellaneous

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

EXECUTIVE COMMITTEE CHARTER

Between meetings of the Board, the Executive Committee may exercise all of the powers of the Board (except those powers expressly reserved by applicable law to the Board) in the management and direction of the business and conduct of the affairs of the Company, subject to any specific directions given by the Board.

I. Purpose

The purpose of the Executive Committee (the “Committee”) is to act on behalf of the Board of Directors (the “Board”) between Board meetings.

II. Membership

The Committee shall be composed of three or more Directors, as determined by the Board. The Board shall appoint one of the members of the Executive Committee as its Chairman. The other members of the Committee shall be appointed annually by the Board on the recommendation of the Governance Committee. Vacancies shall be filled by approval of the Board on the recommendation of the Nomination Committee, and any member of the Committee may be removed by the Board.

III. Meetings

The Committee shall meet at the call of the Chair or a majority of the members. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The passage of any resolution of the Committee shall require the affirmative vote of a majority of Committee members present and voting on such resolution who are not employees of the Company.

Procedures fixed by the Committee shall be subject to any applicable provision of the Company’s By-laws. Written minutes of each meeting shall be duly filed in the Company records, and reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting. Actions taken by the Committee shall be promptly communicated to the Directors who are not members of the Committee.

IV. Key Responsibilities

The Committee shall have all the authority of the Board, except that it **shall not** have authority to:

- 1.) Approve any action for which shareholders approval is also required;
- 2.) Fill vacancies in the Board or in any committee thereof;
- 3.) Amend or repeal the By-laws, or adopt new By-laws;
- 4.) Amend or repeal any resolution of the Board that which, by its express terms, is not so amenable or repealable;
- 5.) Distribute cash dividends to the shareholders;
- 6.) Fix the compensation of Directors for serving on the Board or any committee thereof;

- 7.) Fix or amend the compensation, benefits or perquisites of the Chief Executive Officer;
- 8.) Take any action that the Corporation Code of the Philippines or the Company's By-Laws prohibit the Board from delegating to a committee; or
- 9.) Take any action required by the rules or regulations of the Securities and Exchange Commission or the Philippine Stock Exchange to be approved by the full Board or by another committee of the Board.

V. Outside Advisors

The Committee shall have the authority to retain outside counsel, experts and other advisors as it determines appropriate to assist it in the full performance of its functions and to approve their fees and other retention terms.

VI. Miscellaneous

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

COMMITTEE ON CORPORATE CULTURE AND VALUES FORMATION CHARTER

I. Purpose

The purpose of forming this committee is to promote, foster & institutionalize the corporate vision, mission, core values, good corporate governance & ethical conduct among the board of directors, officers & employees of the company.

II. Membership

The Committee shall be composed of three or more Directors, as determined by the Board. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership. The members of the Committee shall be appointed annually by the Board on the recommendation of the Governance Committee. Vacancies shall be filled by approval of the Board on the recommendation of the Nomination Committee, and any member of the Committee may be removed by the Board.

III. Meetings

The Committee shall meet at the call of the Chair or a majority of the members. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The passage of any resolution of the Committee shall require the affirmative vote of a majority of Committee members present and voting on such resolution who are not employees of the Company.

Procedures fixed by the Committee shall be subject to any applicable provision of the Company's By-laws. Written minutes of each meeting shall be duly filed in the Company records, and reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting. Actions taken by the Committee shall be promptly communicated to the Directors who are not members of the Committee.

IV. Key Responsibilities

The Committee shall have the authority of the Board as follows:

1. Formulate strategies that will foster, imbibe, translate & institutionalize into action plans the corporate vision, mission & core values, such that the policies, decision and lifestyle of the Brown Group, individually & collectively, are founded on them.
2. Provide policy guidance and facilitate compliance with the good corporate governance, code of ethics & business practices.
3. Look into ways to continuously enhance high standard of business conduct & ethics in the company.
4. Adopt a process to insure the Committee members revisit/review the vision, mission & core values statements periodically.
5. Such other functions that are necessary, implied and incidental to the exercise of the authority/responsibility so conferred.

RELATED PARTY TRANSACTION COMMITTEE CHARTER

I. Purpose

The Related Party Transactions Committee should be tasked with reviewing all material related party transactions (RPT) of the Company. The RPT Committee should ensure that transactions occur at market prices, at arm’s-length basis and under conditions that protect the rights of all shareholders.

Related party transactions are generally allowed, provided, that these are done in a sound and prudent manner. The Company is expected to exercise appropriate oversight and to implement effective system in managing these transactions.

All related party transactions which are considered usual course of business and are substantially the same terms as those prevailing at the time for comparable products or services with unrelated parties are exempted or may not be reviewed by the Related Party Transactions Committee except when the transaction is 5% of the total assets of the Parent Company which needs the review of the Committee. However, all RPTs which are not in the usual course of business shall be subject for review by the Related Party Transactions Committee. The RPT Committee may, at any time ask for a review of any of the transactions. The Board of Directors reviews and approves all material RPTs endorsed by the Related Party Transactions Committee. All Board-approved material RPTs may be subject to ratification by a vote of shareholders owning at least majority of the outstanding shares.

II. Membership

The Committee shall be composed of at least three (3) non-executive directors, the majority of whom, including the Chairman, should be independent, as determined by the Board. The Members and Chairman of the Committee shall be appointed annually by the Board. Each member shall have adequate and competent knowledge of the Company’s business and industry in which it operates.

Vacancies shall be filled by approval of the Board on the recommendation of the Nomination Committee, and any member of the Committee may be removed by the Board.

III. Meetings

1. The Committee shall meet at the call of the Chair or a majority of the members. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The passage of any resolution of the Committee shall require the affirmative vote of a majority of Committee members present and voting on such resolution who are not employees of the Company.

2. The Committee will meet as often as may be deemed necessary or appropriate in its judgment, at least quarterly each year, and at such times and places as the Committee shall determine. The majority of the members of the Committee shall constitute a quorum.

IV. Key Responsibilities

The Related Party Transaction (RPT) Committee shall have the following duties and responsibilities:

1.) Evaluates on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from nonrelated to related and vice versa) are captured. Related parties, RPTs and changes in relationships shall be reflected in the relevant reports to the Board and regulators/supervisors;

2.) Evaluates all material RPTs to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or business resources of the Company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating RPTs, the Committee takes into account, among others, the following:

- a.) The related party's relationship to the Company and interest in the transaction;
- b.) The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
- c.) The benefits to the corporation of the proposed RPT;
- d.) The availability of other sources of comparable products or services; and
- e.) An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The Company shall have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;

3.) Ensures that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the Company's RPT exposures, and policies on conflicts of interest or potential conflicts of interest. The disclosure shall include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the Company's affiliation or transactions with other related parties;

4.) Reports to the Board of Directors on a regular basis, the status and aggregate exposures to each related party;

5.) Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process;

6.) Oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures; and

7.) Performs other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board.

V. Outside Advisors

The Committee shall have the authority to retain outside counsel, experts and other advisors as it determines appropriate to assist it in the full performance of its functions and to approve their fees and other retention terms.

VI. Miscellaneous

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.