



NOMINATIONS COMMITTEE CHARTER

The Board of Directors (Board) of Phinma Corporation (Corporation) has constituted a Nomination Committee to assist it in screening candidates nominated to become members of the Board.

This Board hereby adopts this Charter of the Nominations Committee.

Section 1. Membership

The Board shall create a Nomination Committee which shall have at least three (3) Directors, one of whom must be independent.¹ In carrying out its duties, the Nomination Committee may request the assistance of the officers of the Corporation

The members of the Committee shall be appointed by the Board and shall serve until the next organization meeting, unless earlier replaced by the Board. The Board shall designate the Chairman of the Committee.

Vacancies in the Committee may be filled at any meeting of the Board of Directors, and the member who will fill the vacancy shall hold office for the remainder of the term.

Section 2. Duties and Responsibilities²

2.1 Subject to the pertinent provisions of the By-Laws on the disqualification of persons engaged in business antagonistic to that of the Corporation, the Nomination Committee shall pre-screen and shortlist all candidates nominated to become members of the board of directors in accordance with the following qualifications and disqualifications:

Qualifications :

³⁵/₁₇ He shall be the holder of at least one (1) share of stock of the Corporation ;

³⁵/₁₇ He shall be at least a college graduate and shall have practical understanding of the business of the corporation.

³⁵/₁₇ He shall be at least twenty one (21) years of age;

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- ³⁵₁₇ He shall possess integrity and probity; and
- ³⁵₁₇ He shall be diligent
- ³⁵₁₇ He shall possess previous business experience.

Permanent Disqualifications

- ³⁵₁₇ Any person convicted by final judgment or order by a competent judicial or 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, futures 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;
- ³⁵₁₇ Any person who, by reason of misconduct, after hearing, is permanently enjoined by a 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, quasibank, 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.
- ³⁵₁₇ Any 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 under any rule or regulation issued by the Commission or 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;
- ³⁵₁₇ 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 who has filed a materially false or misleading application, report or registration statement required by the Commission or any rule, regulation or order of the Commission or Bangko Sentral ng Pilipinas;
- ³⁵₁₇ Any person earlier elected as independent director who becomes an officer, employee or consultant of the same corporation;
- ³⁵₁₇ Any person judicially declared insolvent;
- ³⁵₁₇ 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; and

³⁵₁₇ Any person convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code.

Any of the following shall be a ground for the temporary disqualification of a director:

³⁵₁₇ 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;

³⁵₁₇ Absence or non-participation without justification 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) month period during the said incumbency unless the absence is due to illness, death in the immediate family or serious accident. This disqualification applies for purposes of the succeeding election;

³⁵₁₇ 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;

³⁵₁₇ If the beneficial equity ownership of an independent director in the corporation or its subsidiaries and affiliates exceeds 2% of its subscribed capital stock; the disqualification shall be lifted if the limit is later complied with;

³⁵₁₇ Conviction that has not yet become final for any of the acts or violations referred to in the grounds for disqualification of directors.

A temporarily disqualified director shall, within sixty (60) business days from such disqualifications mentioned above, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.

However, a regular director who resigns or whose term ends on the day of the election shall only qualify for nomination and election as an independent director after a two (2) year "cooling-off" period.

Likewise, persons appointed as Chairman Emeritus, Ex-officio director/officers or members of any executive advisory board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities shall be subject to a one (1) year "cooling-off" period prior to his qualification as an independent director.

2.2 The Nomination Committee shall consider the following guidelines in the determination of the availability of a director to serve as such:

³⁵₁₇ the nature of the business of the corporations of which he is a director;

³⁵₁₇ age of the director;

³⁵₁₇ number of directorships/active memberships and officerships in other corporations or organizations;

- ³⁵₁₇ possible conflict of interest
- ³⁵₁₇ experience from other boards;
- ³⁵₁₇ experience as chief executive officer or chief operating officer;
- ³⁵₁₇ knowledge of finance;
- ³⁵₁₇ knowledge of accounting;
- ³⁵₁₇ knowledge of the industry of the Corporation;
- ³⁵₁₇ knowledge of the local and international market and strategic vision;
- ³⁵₁₇ contacts of value to the Corporation

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

- 2.3. 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.
- 2.4 The findings and recommendations of the Nomination Committee shall be submitted to the Board for approval; provided that a director whose qualifications are in issue shall not have the right to vote when the Board considers his case.

Section 3. Meetings

The Committee shall hold meetings in person or by tele- or video-conference at a time and place to be determined by its Chairman. Actions of the Committee may also be taken by consent (in physical, electronic or digital format) of the majority of the members when deemed necessary by the Committee or its Chairman.

The Corporate Secretary shall keep the minutes of the meetings of the Committee and shall present it at the next Committee meeting for approval.

The Chairman of the Committee or his representative shall report to the Board all actions of the Committee at the meeting of the Board following such actions.

Section 4. Effectivity

The Charter shall take effect when approved by the Board.

The Committee shall periodically review and assess the Charter for its adequacy and shall recommend the proposed amendments to the Board for approval.