



METRO PACIFIC TOLLWAYS CORPORATION

NOMINATION COMMITTEE CHARTER

Introduction

This Charter of the Nomination Committee (the "**Committee**") of Metro Pacific Tollways Corporation (the "**Company**") sets forth the Committee's purpose, authority, duties and responsibilities, structure and procedures.

Definition of Terms

The following terms are used in this Nomination Committee Charter with the respective meanings ascribed to such terms below, unless the context otherwise requires:

"**Articles of Incorporation**" means the Articles of Incorporation of the Company and all amendments thereto;

"**Board**" or "**Board of Directors**" shall refer to the Board of Directors of the Company;

"**Board Committee**" means collectively, the Executive Committee, the Nomination Committee, the Audit Committee, the Compensation and Remuneration Committee, and the Governance and Risk Committee, and such other committees which the Board may constitute from time to time in accordance with the Company's By-Laws;

"**Board Diversity**" shall refer to the policy, as may be adopted by the Company on diversity of the composition of the Board taking into account factors such as gender, experience, expertise, and relevant knowledge to avoid groupthink and to ensure that optimal decision-making is achieved;

"**By-Laws**" means the By-Laws of the Company and all amendments thereto;

"**Committee**" shall refer to the Nominations Committee;

"**Company**" shall refer to the Metro Pacific Tollways Corporation;

"**Director**" shall refer to an individual member of the Board of Directors of the Company;

"**Directors**" refers to the members of the Board of Directors of the Company;

"**HR Director / Manager**" shall refer to the Head of the Human Resources and Administration of the Company;

“Independent Directors” subject to the specific qualifications and disqualifications enumerated in the Company Revised Manual on Corporate Governance, generally means a person who, apart from his fees and shareholdings, is independent of Management and the controlling stockholders, and is free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a Director;

“Management” means a group of executives given the authority by the Board to implement the policies it has laid down in the conduct of the business of the Company;

“Members” shall refer to the members of the Committee; and

“Revised Manual on Corporate Governance” means the Metro Pacific Tollways Corporation Revised Manual on Corporate Governance.

Section 1. Functions. The Committee shall assist and advise the Board:

- a. in the formulation and implementation of a transparent and inclusive Directors' nomination and election policy for the Board's consideration;
- b. in the review and evaluation of the qualifications of all persons nominated by the shareholders to the Board and other appointments that require Board approval;
- c. in assessing the effectiveness of the Board's processes and procedures in the election or replacement of Directors;
- d. in assessing the Board's effectiveness in the process of replacing or appointing new Directors and/or members of Board Committee; and
- e. in implementing the approved nomination procedure.

Section 2. Key Responsibilities. The following are the specific responsibilities of the Committee:

- a. Review and monitor the following: (i) the structure, size, and composition of the Board and make recommendations, as necessary, to ensure that the Board has the required number of Independent Directors; (ii) the composition of the Board to ensure compliance with the required Board Diversity indicated in the Company's Revised Manual on Corporate Governance; and, (iii) composition of the Board and ensure that each has the qualifications and none of the disqualifications as provided in applicable laws, regulations, listing rules and the Company's policies.
- b. Pre-screen and shortlist candidates nominated to become a member of the Board in accordance with the qualifications and disqualification criteria as provided in applicable laws, regulations, listing rules and the Company's policies, and such other factors which the Committee may deem appropriate such as judgment, skill, experience with other business organizations of a size comparable to that of the Company, the complementary experience of the candidate with the experience of other Directors, and possible conflict of interest. It shall likewise assess the independence of Independent Directors.

- c. Identify and recommend qualified individuals for nomination and election as additional Directors or to fill Board vacancies as and when they arise. The election of such additional or replacement Directors shall be done in accordance with applicable laws and regulations. For this purpose, the Committee shall provide the Board and the shareholders sufficient biographical details of the nominated candidates to enable them to make an informed decision on the selection of individuals nominated as Director.
- d. Ensure that the Company has such number of Independent Directors which constitute at least twenty percent (20%) of the members of the Board, or such higher number as may be required by law or by regulation.
- e. Review with the Board, on an annual basis, the appropriate skills and characteristics required on the Board in the context of the strategic direction of the Company.
- f. Recommend Committee assignments, including Committee Chairmanships, to the full Board for approval after receiving advice from the Chairman of the Board and Chief Executive Officer and with consideration of the preferences of individual Directors.
- g. Assess the effectiveness of the Board's processes and procedures in the election or replacement of Directors.
- h. Ensure that, in the event that the Board proposes a resolution to elect an individual as an Independent Director at the general meeting, the Management or the Board sets out in the circular to shareholders and/or the explanatory statement accompanying the notice of the relevant general meeting why they believe the individual should be elected and the reasons why they consider the individual to be independent.
- i. Recommend to the Board and/or the Management the conduct of a comprehensive, formal, and tailored induction for every newly appointed Director of the Company on the first occasion of his appointment.
- j. Recommend to the Board and/or the Management the adoption of a policy requiring each Director to disclose to the Company at the time of his appointment, and in a timely manner, on any change in the number and nature of offices held in public companies or organizations and other significant commitments, with the identity of the public companies or organizations on an annual basis.
- k. Undertake such duties and responsibilities as may be provided by the Company's Articles of Incorporation, By-Laws, and Revised Manual on Corporate Governance, as may be amended from time to time.

Section 3. Composition

- a. The Nomination Committee shall be composed of at least three (3) voting members of the Board, one of whom must be an Independent Director, and one (1) non-voting member in the person of the HR Director/Manager. The members of the Committee including the Chairman, shall be appointed by the Board of Directors annually.

- b. The Board of Directors may appoint one or more persons to serve as advisor(s) to the Committee. Advisors shall have the right to attend and speak at any meeting of the Committee but shall have no right to vote in respect of any action by the Committee.
- c. The Chairman or any member or advisor of the Committee may be removed from office only by the Board of Directors.
- d. The HR Director/Manager shall provide the necessary staff support to the Committee.

Section 4. Committee Procedures

- a. Meetings
 - 1. The Committee shall hold meetings at such times and places as it considers appropriate, provided that, not less than **two (2)** meetings shall be held each year.
 - 2. Meetings of the Committee shall be convened by the Chairman of the Committee as and when he considers appropriate and the Chairman shall convene a meeting upon the request of a majority in number of the voting Members of the Committee.
 - 3. Notices of Committee meetings, specifying the place, date and time for the meeting and the general nature of the businesses to be transacted at the meeting, shall be given to each Member of the Committee at least one (1) week before the date of the meeting. The Committee Secretary shall ensure that pertinent materials for the meeting are properly and timely distributed to all Members.
 - 4. Notwithstanding that a meeting is called by shorter notice, it shall be deemed to have been duly convened if it is so agreed by the Members of the Committee present in the meeting at which there is a quorum.
 - 5. Notice of a meeting of the Committee shall be deemed to be duly given to a Member if it is given to him personally, in writing or orally, or sent to him by mail, e-mail or facsimile transmission to his address, e-mail address or facsimile number, as appropriate, given by him to the Committee Secretary.
 - 6. A majority of all the Members of the Committee shall constitute a quorum.
 - 7. Members of the Committee may participate in a meeting of the Committee through teleconference or video conference conducted in accordance with the provisions of Securities and Exchange Commission (SEC) Memorandum Circular No. 15, Series of 2001 and by means of which all persons participating can hear each other.
 - 8. Resolutions at a meeting of the Committee at which there is a quorum shall be passed by a simple majority of votes of the voting Members present at such meeting. Each Member, including the Chairman of the Committee, shall have one (1) vote. Whenever a Committee Member has a conflict of interest in a matter to be considered by the

Committee which the Committee considers to be material, such interested member shall abstain from voting on any Committee resolution in which they or any of their associates have a material interest. The Committee shall decide on the matter without taking into consideration the position of the Member who has a material conflict of interest. In case of an equality of votes, the Chairman of the Committee shall not have a second or casting vote.

9. If, within thirty (30) minutes from the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day, time and place as the Chairman of the meeting may determine.

b. Minutes and Records

1. The Committee shall appoint a Committee Secretary who shall issue notices and agenda for the meetings; disseminate meeting materials, if necessary; prepare minutes of meetings of the Committee and keep books and records of the Committee.
2. The Committee shall cause records to be kept for the following:
 - a) Appointments and resignations of Members of the Committee;
 - b) All agenda and other documents sent to the Members of the Committee; and
 - c) Minutes of proceedings and meetings of the Committee.
3. Any such books and records shall be open for inspection by any Member of the Committee upon reasonable prior notice during usual office hours of the Company.
4. The minutes of the meeting of the Committee, when signed by the Chairman of the Committee, shall be conclusive evidence of the proceedings and resolutions of such meeting.
5. The Committee Secretary shall ensure that the draft and final versions of the minutes of Committee meetings shall be sent to all Committee Members for their comment and records, within one (1) month after each meeting.

Section 5. Remuneration of Members

No fees or other remuneration shall be payable to the Members of the Committee in connection with their services as a Member of the Committee or in their attendance at meetings of the Committee, except reasonable per diem or remuneration as may be authorized and approved by the Board or any fees or remuneration to such Member/Advisor that would otherwise be entitled to in his capacity as consultant, advisor or employee of the Corporation.

Section 6. Resources and Authorities

- a. The Committee shall have the resources and authorities appropriate to discharge its functions, duties and responsibilities including the authority to obtain advice from external consultants and functional specialists within the Company.
- b. The Committee shall report directly to the Board on its decision/s or recommendation/s, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements.)
- c. The Committee shall have the right to require management of the Company to furnish all information requested by the Committee as may be required for the purposes of performing its duties.

Section 7. Committee Reports and Performance Evaluation

- a. The Committee shall report its activities to the Board on a regular basis and make such recommendations with respect thereto and other matters as the Committee may deem necessary or appropriate.
- b. The Committee shall, in conformity with the procedures of Annual Board Performance Assessment Process, conduct an annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of its Charter, set forth the goals and objectives of the Committee for the ensuing year and include any recommendation to the Board of Directors on any improvement to the Charter deemed necessary or desirable by the Committee.

Section 8. Amendment or Alteration of this Charter


This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by resolutions of the Board of Directors.

The Committee shall conduct a periodic review and assessment of this Charter and recommend to the Company's Board of Directors (the "Board") revisions, as it may deem necessary and beneficial to the efficient performance of its functions.

Endorsed by:


Christopher Daniel C. Lizo
Chief Compliance Officer

Approved by:


Manuel V. Pangilinan
Chairman of the Board