

## **CHARTER OF THE CORPORATE GOVERNANCE COMMITTEE OF SOLAR PHILIPPINES NUEVA ECIJA CORPORATION**

### **Introduction:**

This charter ("Charter") of the Corporate Governance Committee ("Committee") of Solar Philippines Nueva Ecija Corporation ("Company") was duly adopted by the Board of Directors ("Board") in a meeting dated 02 July 2021. This Charter shall serve as the guide of the Committee in the conduct of its business. This Charter shall supplement the Company's By-laws ("By-laws") and the Company's Manual on Corporate Governance ("Manual").

### **Composition:**

The Committee shall be composed of at least three (3) members, all of whom, including the Chairperson thereof, are preferably independent directors. The Chairperson and the members of the Committee shall be appointed by the Board from among its members at a meeting duly called for such purpose.

### **Purpose, Roles, and Responsibilities:**

As stated in the Manual, the Committee shall have the following responsibilities:

1. Assist the Board in the performance of its corporate governance responsibilities in accordance with the relevant laws and regulations;
2. 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 Board members; and
3. Establish formal and transparent procedure for developing a policy on executive remuneration, and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel.

The Committee shall also have such other functions as may be approved by the Board from time to time.

### **Meetings:**

The Committee may meet on such dates, times, and places as may be determined by the Committee. The Committee may conduct its meetings in the same manner as the Board is allowed to conduct its meetings as provided in the By-laws. The Committee shall endeavor to have a meeting at least two (2) times every year.

The rules for sending notices for meetings of the Board as provided in the By-laws shall also be applicable to notices of meetings of the Committee.

### **Quorum:**

The quorum of the Committee for the valid conduct of its business shall be the majority of its current members.

**Number of Votes to Pass a Resolution:**

All decisions and resolutions of the Committee shall be approved by the affirmative vote of the majority of the Committee members present during the meeting. In no case, however, shall a decision or resolution be approved without the approval of at least two (2) members of the Committee.

Any matter decided upon by the Committee which requires Board approval shall be referred to the Board and shall be included in the agenda of the meeting of the Board as soon as practicable.

**Secretary:**

The Corporation's Corporate Secretary, and in their absence, the Assistant Corporate Secretary, shall function as the secretary of the meeting of the Committee. In the absence of the Corporate Secretary and the Assistant Corporate Secretary, the members of the Committee present during the meeting shall appoint from among themselves the secretary of the meeting.

The secretary of the meeting shall proceed to record the minutes of the meeting and shall have such minutes read and approved by the Committee at the next meeting of the Committee.

**Nomination Process:**

Once the Board has announced that nominations for members of the Board are open, the Committee shall start receiving written nominations for candidates to the Board. Such nomination shall state the nominee's name, age, principal occupation, number of shares of the Corporation owned, and interests in and positions held in other corporations.

The Committee shall cease receiving nominations once the deadline determined by the Board has passed.

The Corporate Governance Committee shall then determine whether the nominees have all the qualifications and none of the disqualifications pursuant to relevant laws, regulations, the By-laws, the Manual, and other Company policies. The list of qualified nominees to the Board shall then be endorsed by the Committee to the Board which shall have the power to approve such nominees to be considered for the election by the stockholders.

**Amendment of Charter:**

This Charter may be changed or amended from time to time. Any changes or amendments to this Charter shall be proposed by the Committee to the Board. Such changes or amendments shall become effective upon approval by the Board.