



BOARD OF DIRECTORS'
CHARTER

**HARBOR STAR SHIPPING SERVICES, INC.
BOARD OF DIRECTORS CHARTER**

This Board of Directors Charter (“this Charter”) sets out the purpose, membership and qualifications, structure and operations, duties and responsibilities of the Board of Directors, collectively, and the director, individually, of **HARBOR STAR SHIPPING SERVICES, INC.** (the “Company”), and the procedures which guide the conduct of its functions.

Board of Directors

Compliance with the principles of good corporate governance shall start with the Board of Directors.

a. Composition of the Board

The Board shall be composed of at seven (7) members who are elected by the shareholders.

The membership of the Board may be a combination of Executive and Non-Executive Directors (which include Independent Directors) in order that no director or small group of directors can dominate the decision-making process.

The Non-Executive Directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board.

b. General Responsibility of the Board

A director's office is one of trust and confidence. He/She shall act in a manner characterized by transparency, accountability and fairness. He/She should exercise leadership, prudence, and integrity in directing the Corporation towards sustained progress.

It is the Board’s responsibility to foster the long-term success of the Corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its shareholders and other stakeholders.

The Board shall formulate the Corporation’s vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management’s performance.

It shall also take care of the interests of the shareholders and protect their investment through the implementation of sound corporate policies and plans while maintaining its independent assessment on Management's performance.

c. Specific Duties and Functions of the Board

To insure a high standard of best practice for the Corporation, its shareholders and other stakeholders, the Board shall conduct itself with honesty and integrity in the performance of the following duties and functions:

- i. Install and implement a process for the selection of directors to ensure a mix of competent directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies.
- ii. Appoint competent, professional, honest and highly motivated management officers, and adopt an effective succession planning program for Management.
- iii. Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practices.
- iv. Identify the Corporation's major and other stakeholders and formulate a clear policy on communicating or relating with them through an effective investor relations program that will keep them informed of important developments in the Corporation.
- v. Adopt a system of internal checks and balances. A regular review of the effectiveness of such system shall be conducted to ensure the integrity of the decision-making and reporting processes at all times. There shall be a continuing review of the Corporation's internal control system in order to maintain its adequacy and effectiveness.
- vi. Identify key risk areas and key performance indicators and monitor these factors with due diligence to enable the Corporation to anticipate and prepare for possible threats to its operational and financial viability.

- vii. Properly discharge Board functions by meeting regularly. Independent views during Board meetings shall be given due consideration and all such meetings shall be duly minuted;
- viii. Keep Board authority within the powers of the Corporation as prescribed in the Articles of Incorporation, By-Laws and in existing laws, rules and regulations;
- ix. Provide sound strategic policies and guidelines to the Corporation on major capital expenditures. Establish programs that can sustain its long-term viability and strength. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance.
- x. Identify the Corporation's stakeholders in the community in which the Corporation operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them.
- xi. Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the Corporation and its parent company, joint ventures, subsidiaries, associates, affiliates, major shareholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.
- xii. Constitute an Audit Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
- xiii. Establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its shareholders, and the Corporation and third parties, including the regulatory authorities.
- xiv. Appoint a Compliance Officer who shall have the rank of at least Vice President. In the absence of such appointment, the

Corporate Secretary, preferably a lawyer, shall act as Compliance Officer.

d. Specific Duties and Responsibilities of a Director

A director shall have the following duties and responsibilities:

- i. To conduct fair business transactions with the Corporation and to ensure that personal interest does not bias Board decisions nor conflict with the interests of the Corporation;
- ii. To devote time and attention necessary to properly discharge his/her duties and responsibilities;
- iii. To act judiciously;
- iv. To exercise independent judgment;
- v. To have a working knowledge of the statutory and regulatory requirements affecting the Corporation, including the contents of its Articles of Incorporation and By-Laws, the rules, regulation and requirements of the SEC, and where applicable, the requirements of other regulatory agencies;
- vi. To observe confidentiality; and,
- vii. To ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment.

e. Qualifications

The directors shall possess such qualifications for membership in the Board as prescribed by the Corporation Code, Securities Regulation Code and other relevant laws, rules and regulations. The non-executive directors shall possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board.

In addition, the Corporation shall require all of its directors before assuming office as such, to attend a seminar on corporate governance conducted by a duly recognized private or government institute.

Among others, the following qualifications shall be considered in a director's nomination and election to the Board:

- i. He shall be at least a college graduate or he shall have been engaged or exposed to the business of the Corporation for at least five (5) years;
- ii. Practical understanding of the business of the Corporation;
- iii. Membership in good standing in relevant industry, business or professional organizations; and
- iv. Vast and successful business experience.

f. Disqualifications

The following shall be grounds for the permanent disqualification of a director:

- i. 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/her fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person or any of them;
- ii. Any person who, by reason of misconduct, after hearing, is permanently enjoined by final judgment or order of the SEC or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities;

- iii. The disqualification shall also apply if such person is currently the subject of an order of the SEC 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 SEC or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the SEC or BSP, or has otherwise 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;
- iv. Any person judicially convicted by final judgment of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;
- v. Any person finally found by the SEC 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 SEC or BSP, or any rule, regulation or order of the SEC or BSP;
- vi. Any person judicially declared to be insolvent;
- vii. Any person earlier elected as independent director who becomes an officer, employee, or consultant of the same Corporation;
- viii. 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
- ix. Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his/her election or appointment.

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

- i. Refusal to fully disclose the extent of his/her 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/her refusal persists;
- ii. Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of Directors during his/her incumbency, or any twelve (12) month period during 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;
- iii. Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he/she has cleared himself of any involvement in the alleged irregularity;
- iv. Being under preventive suspension by the Corporation;
- v. Conviction that has not yet become final referred to in the grounds for the disqualification of directors; and
- vi. If the beneficial equity ownership of an independent director in the Corporation or its subsidiaries or affiliates exceeds two percent (2%) of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with.

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

g. Membership Criteria

The members of the Board shall be elected from a list of nominees who have been identified, screened and recommended for election by the

Governance Committee. Any shareholder of record may nominate a candidate for directorship in the annual shareholders' meeting of the Corporation. Nominees shall be selected on the basis of the set of criteria and other relevant factors as laid down in this Manual.

It is in the best interests of the Corporation and its shareholders to obtain highly qualified individuals to serve on the Board. These are only threshold criteria, however, and the Nomination Committee will also consider the contributions that a candidate can be expected to make to the collective functioning of the Board based upon the totality of the candidate's credentials, experience and expertise, the composition of the Board at that time, and other relevant circumstances.

Among others, the nominee must:

- i. Have high personal and professional integrity, and shall have demonstrated, through specific experience or otherwise, relevant knowledge, skills, expertise, ability to make independent analytical inquiries, understanding of the Corporation's business environment, and willingness to devote adequate time and effort to board responsibilities;
- ii. Committed to promoting and enhancing the long term value of the Corporation for its shareholders;
- iii. Should not have any interests that would materially impair his or her ability to (a) exercise independent judgment, or (b) otherwise discharge the fiduciary duties owed as a director to the Corporation and its shareholders;
- iv. Be able to represent fairly and equally all shareholders of the Corporation without favoring or advancing any particular shareholder or other constituency of the Corporation;
- v. Have sound judgment, derived from Management or policy-making experience (which may be as an advisor or consultant), that demonstrates an ability to function effectively in an oversight role;
- vi. Conduct fair business transactions with the Corporation, and ensure that his personal interest does not conflict with the interests of the Corporation;

- vii. Should not use his position to profit or gain some benefit or advantage for himself and/or his related interests. He should avoid situations that may compromise his impartiality. If an actual or potential conflict of interest may arise on the part of a director, he should fully and immediately disclose it and should not participate in the decision-making process. A director who has a continuing material conflict of interest should seriously consider resigning from his position;
- viii. Devote the time and attention necessary to properly and effectively perform his duties and responsibilities;
- ix. Devote sufficient time to familiarize himself with the Corporation's business. He should be constantly aware of and knowledgeable with the Corporation's operations to enable him to meaningfully contribute to the Board's work. He should attend and actively participate in Board and committee meetings, review meeting materials and, if called for, ask questions or seek explanation;
- x. Have a working knowledge of the statutory and regulatory requirements that affect the Corporation, including its Articles of Incorporation and By-laws, the rules and regulations of the Commission and, where applicable, the requirements of relevant regulatory agencies; and
- xi. Be abreast with industry developments and business trends in order to promote the Corporation's competitiveness.

In addition to the minimum qualifications for each nominee described above, at least one (1) Non-Executive Director should have experience in the sector or industry in which the Corporation belongs to.

The Governance Committee is responsible for reviewing with the Board, on a periodic basis, the appropriate skills and characteristics required of the directors in the context of the current needs of the Corporation. In determining whether a director should stand for re-election, appropriate consideration shall be given to the director's attendance at board meetings and his or her performance as a director.

h. Board Meetings and Quorum Requirement

- i. The members of the Board should attend its regular and special meetings in person or through teleconferencing conducted in accordance with the rules and regulations of the SEC.
- ii. Independent directors should always attend Board meetings. Unless otherwise provided in the By-Laws, their absence shall not affect the quorum requirement. However, the Board may, to promote transparency, require the presence of at least one independent director in all its meetings.
- iii. Agenda items are designated by the Chairman in consultation with the CEO, Management, or others as determined by the Chairman. Any director may suggest agenda items and may raise at meetings other matters they consider worthy of discussion.
- iv. The Corporate Secretary shall be responsible for the timely and proper distribution of notices, agenda and other relevant meeting materials for discussion during the pertinent board meeting through the recognized modes of transmission of information i.e., personal delivery, fax, email notice, mail of courier. Receipt should be ensured to allow for ample review by the members of the Board to enable them to fully comprehend the matters to be discussed during the relevant meeting.
- v. To prepare for meetings, directors shall review all materials sent in advance. The Board believes that maintaining confidentiality of information and Board deliberations is critical. The proceedings and deliberations of the Board and all Board Committees shall, accordingly, be confidential. Each director shall continue to maintain the confidentiality of information received in connection with his or her service as a director. Information learned during the course of service on the Board is to be used solely in furtherance of the Corporation's business.
- vi. To monitor the director's compliance with the attendance requirements, the Corporation shall submit to the SEC, on or before January 30 of the following year, a sworn certification

about the directors' record of attendance in Board meetings. The certificate of attendance shall be signed by the Corporate Secretary and countersigned by the Chairman of the Board.

i. Remuneration of Directors and Officers

The levels of remuneration of the Corporation should be sufficient to be able to attract and retain the services of qualified and competent directors and officers. No director shall participate in deciding on his/her remuneration. The Corporation's annual reports and information and proxy statements shall include a clear, concise and understandable disclosure of all fixed and variable compensation that may be paid, directly or indirectly, to its directors and top four (4) management officers during the preceding fiscal year.

j. Penal Sanctions

A corporate director/officer shall be removed from office, in the manner provided by law, if he/she commits any of the following acts:

- i. When he/she willfully and knowingly votes or assents to a patently unlawful act;
- ii. When he/she is guilty of gross negligence or bad faith in the conduct of the corporate affairs;
- iii. When he/she acquires personal or pecuniary interest which is in conflict with his/her duty as such officer;
- iv. When he/she commits acts in violation of the pertinent and material provisions of the Corporation Code of the Philippines, the Securities Regulations Code, its implementing rules and regulations and corresponding amendments on the fiduciary duties of a corporate director or officer; and,
- v. The corporate director or officer shall be personally liable for acts committed under paragraphs (i), (ii), and (iii) above.

The penalty of removal from office imposed hereunder shall be without prejudice to the Corporation's right to file the appropriate civil or criminal case against the corporate director or officer involved.

The Chairman of the Board

In addition to the duties imposed under the By-Laws, the Chairman shall perform the following duties and responsibilities in relation to the Board:

- a. Ensure that the meetings of the Board are held in accordance with the By-Laws or as the Chairman may deem necessary;
- b. Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the CEO, Management and the directors; and
- c. Maintain qualitative and timely lines of communication and information between the Board and Management.
- d. Ensure that the members of the Board are timely, properly and accurately informed of developments in the Corporation;
- e. Promote independence in the decision-making of the members of the Board;
- f. Ensure that productive output and time management are recognized in board meetings;
- g. Maintain a balance among the varying views of the members of the Board;
- h. Defer matters that should properly be taken up and decided by Management or the various committees;
- i. Maintain appropriate meeting decorum;
- j. Ensure effective communication with shareholders;
- k. Ensure constructive relations between the Board and Management; and
- l. Promote high standards of corporate governance.

Board Committees

To aid in complying with the principles of good corporate governance, the Board shall constitute the following Committees:

a. Audit Committee

- i. The Audit Committee, which also assumes the functions of the Risk Oversight Committee, shall be composed of at least three (3) members of the Board, who shall preferably have accounting and finance backgrounds, one (1) of whom shall be an Independent Director, who shall act as the Chairman, and another shall have audit experience. Each member shall have at least an adequate understanding or competence of most of the Corporation's financial management systems and environment.
- ii. Duties and Responsibilities
 - o Check all financial reports against its compliance with pertinent accounting standards, including laws and regulatory requirements;
 - o Perform oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management. This function shall include regular receipt from Management of information on risk exposures and risk management activities;
 - o Pre-approve all audit plans, scope and frequency one (1) month before the conduct of external audit;
 - o Review the annual internal audit plan to ensure its conformity with the objectives of the Corporation. The plan shall include the audit scope, resources and budget necessary to implement it;
 - o Perform oversight functions with the internal and external auditors. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
 - o Elevate to international standards the accounting and auditing processes, practices and methodologies of the Corporation;

- Develop a transparent financial management system that will ensure the integrity of internal control activities throughout the Corporation;
- Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations;
- Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- Organize an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal;
- Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security;
- Review the reports submitted by the internal and external auditors;
- Review the quarterly, half-year and annual financial statements and before their submission to the Board, with particular focus on the following matters:
 - (a) any changes in accounting policies and practices;
 - (b) major judgmental area;
 - (c) significant adjustments resulting from the audit;
 - (d) going concern assumptions;
 - (e) compliance with accounting standards; and
 - (f) compliance with tax, regulatory and legal requirements.
- Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the annual income of the external auditor and to the Corporation's overall consultancy expenses. The Committee shall disallow any non-audit work that will conflict with his/her duties as an external

auditor or may pose a threat to his/her independence. The non-audit work, if allowed, shall be disclosed in the corporation's annual report;

- Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his/her duties and responsibilities. He/She shall functionally report directly to the Audit Committee. The Audit Committee shall ensure that, in the performance of the work of the Internal Auditor, he/she shall be free from interference by outside parties;
- Ensures that the Board and Management are aware of all actual and potential risks, both internal and external, facing the business;
- Implement an effective system to identify, monitor and assess risks;
- Review, on a quarterly basis, the Corporation's business for risk identification, mitigation and monitoring;
- Establish—consistency and best practices rules in the managing, monitoring and reporting of risks;
- Identify risks which may be beneficial to the Corporation if properly managed and controlled;
- Ensure that risk-taking is an informed process within a pre-determined range;
- When deemed necessary, appoint a Risk Management Officer; and
- Operationalize a Risk Management Program.

b. Governance Committee

- i. The Governance Committee, which also assumes the functions of the Nominations Committee and Compensation and Remunerations Committee, shall consist of three (3) members of the Board, one (1) of whom shall be an Independent Director and such other persons as the Board may designate.
- ii. The Governance Committee shall assist the Board with respect to governance matters most especially in the implementation of practices and standards to be observed in an effective stewardship environment.
- iii. The Governance Committee should be a cohesive and independent team of planners and program implementers that can play a critical role in fostering a healthier and better culture among the Board members and Management.
- iv. Duties and Responsibilities:
 - o Undertaking and approving an annual performance assessment of the Board, its committees and the individual directors. The Performance Assessment Guidelines and Scorecard shall be prepared in accordance with the mandates of this Manual;
 - o Preparation and approval of an annual program of governance including the planning of an annual continuing education program for the Board and Management;
 - o Approval of policies, programs and processes to be contained in a manual and directors' handbook insofar as the same will supplement this Manual;
 - o Assessing the competency requirements and compliance levels of the members of the Board insofar as continuing board education is concerned;
 - o Reviewing policies of the Board and its committees insofar as they relate to governance matters;
 - o Reviewing governance standards published by other Philippine listed companies with a view of assessing their relevance and developing a more current set of standards for the Corporation;

- 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;
- Formulate screening policies to enable the Governance Committee to effectively review and evaluate the qualification of the nominees nominated to the Board and other appointments which require approval of the Board;
- Assess the effectiveness of the Board processes and procedures in the election and replacement of directors; and
- Conduct nominations for Independent Directors prior to the stockholders' meeting in accordance with the procedure set forth in Rule 38 of the Amended Implementing Rules and Regulations of the Securities Regulation Code, as the same may be amended from time to time.
- Establish the appropriate procedure for developing a policy on executive remuneration and for fixing the remuneration packages of executive officers and directors;
- Provide oversight on remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Corporation's culture, strategy and control environment;
- Creation of a formal and transparent procedure for developing policies on executive remuneration packages for directors and executive officers;
- Carefully study remuneration packages to provide sufficient compensation for the services of and attract, retain and motivate an able and competent roster of directors; and
- Design a performance-based remuneration to complement or reward good performance while at the same time keeping in mind the interests of shareholders.

Independent Directors

- a. The Corporation shall have at least two (2) independent directors or such number of independent directors that constitutes twenty percent (20%) of the members of the Board, whichever is higher, but in no case

less than two (2). The independent directors shall possess such qualifications for membership in the Board as prescribed by the Securities Regulation Code, its implementing rules and regulations and other relevant laws, rules and regulations.

- b. An “independent director” means a person who, apart from his/her fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his/her exercise of independent judgment in carrying out his/her responsibilities as a director of the corporation and includes, among others, any person who:
- i. Is not a director or officer of the Corporation or of its related companies or any of its substantial shareholders except when an independent director of any of the foregoing;
 - ii. Does not own more than two percent (2%) of the shares of the Corporation and/or its related companies or any of its substantial shareholders;
 - iii. Is not related to any director, officer or substantial shareholder of the Corporation, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
 - iv. Is not acting as a nominee or representative of any director or substantial shareholder of the Corporation, and/or any of its related companies and/or any of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;
 - v. Has not been employed in any executive capacity by the Corporation, any of its related companies and/or by any of its substantial shareholders within the last two (2) years;
 - vi. Is not retained, either personally or through his/her firm or any similar entity, as professional adviser, by the Corporation, any of its related companies and/or any of its substantial shareholders, within the last two (2) years; or
 - vii. Has not engaged and does not engage in any transaction with the Corporation and/or with any of its related companies

and/or with any of its substantial shareholders, whether by himself and/or with other persons and/or through a firm of which he/she is a partner and/or a company of which he/she is a director or substantial shareholder, other than transactions which are conducted at arms length and are immaterial.

- c. A “related company” means another company which is: (a) its holding company; (b) its subsidiary; or (c) a subsidiary of its holding company; and a “substantial shareholder” means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.
- d. Further, an Independent Director shall have the following qualifications:
 - i. He shall have at least one (1) share of stock of the Corporation;
 - ii. He shall be at least a college graduate or he shall have been engaged or exposed to the business of the Corporation for at least five (5) years;
 - iii. He shall possess integrity/ probity; and
 - iv. He shall be assiduous.
- e. In addition to the grounds for temporary or permanent disqualification of a director, an Independent Director shall likewise be disqualified during his tenure under the following instances or causes:
 - i. He becomes an officer or employee of the Corporation;
 - ii. His beneficial security ownership exceeds two percent (2%) of the outstanding capital stock of the Corporation;
 - iii. Fails, without any justifiable cause, to attend at least fifty percent (50%) of the total number of Board meetings during his incumbency.
- f. An Independent Director shall submit to the Corporate Secretary a letter of confirmation stating that he holds no interests affiliated with the Corporation, Management or controlling shareholder at the time of his election or appointment and/ or re-election as a director.

Resources

The Board shall have full access to management, personnel and records for the purpose of performance of its duties and responsibilities hereunder. The Board may also obtain external legal counsel or independent professional advice if it considers it necessary in the performance of its functions. The Board shall be provided with sufficient resources by the Company to discharge its duties.

Amendment

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

Approved and Adopted By:

(Original Signed)
GERONIMO P. BELLA, JR.
CHAIRMAN/PRESIDENT

(Original Signed)
RICARDO RODRIGO P. BELLA
DIRECTOR

(Original Signed)
RYOTA NAGATA
DIRECTOR

(Original Signed)
RAMON C. LIWAG
DIRECTOR

(Original Signed)
MANUEL H. PUEY
INDEPENDENT DIRECTOR

(Original Signed)
JOSE S. NAVARRO
INDEPENDENT DIRECTOR

(Original Signed)
IGNATIUS A. RODRIGUEZ
DIRECTOR