



CHARTER OF THE CORPORATE GOVERNANCE, NOMINATIONS & REMUNERATION COMMITTEE

This Charter was approved and adopted on January 31, 2023 by the Board of Directors of Concepcion Industrial Corporation pursuant to its By-Laws and Corporate Governance Manual.

1. Definition of Terms

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

“Board” shall mean the Board of Directors of the Company, as constituted from time to time.

“By Laws” shall mean the By Laws of the Company, as revised from time to time.

“CG Manual” means the Corporate Governance Manual of the Company, and all amendments thereto.

“CG Rules” means the Governance Code, CG Manual, Code of Ethics and such other circulars, regulations and policies issued in relation to the Governance Code and/or the CG Manual.

“Code of Ethics” means the Code of Ethics of the Company, as revised from time to time.

“Committee” shall mean the Corporate Governance, Nominations & Remuneration Committee of the Company, as constituted from time to time.

“Committee Chairman” shall mean the chairman of the Committee, as appointed from time to time.

“Company” shall mean Concepcion Industrial Corporation.

“Director” shall mean a duly elected member of the Board.

“Governance Code” means the SEC Memorandum Circular No. 19 Series of 2016 otherwise known as the “Code of Corporate Governance for Publicly Listed Companies”.



“Key Management Personnel” shall mean any individual having authority or responsibility for the planning, directing or controlling the activities of the Company, or a subsidiary of the Company, directly or indirectly, including all members of the board of directors or executive officers of such subsidiary.

“Management” shall mean the body responsible for the day-to-day conduct of the business of the Company and the implementation of its business strategies, plans and policies.

“Member” shall mean a member of the Committee, as appointed by the Board from time to time.

“Secretariat” shall have the meaning set forth in Section 3.3.

2. Purpose, Duties and Powers

2.1 The primary purpose of the Committee is to assist the Board in the performance of its corporate governance and nominations functions as well as in providing oversight in the compensation and remuneration of Directors and the Chief Executive Officer (CEO).

2.2 The Committee shall have the following functions, duties, and responsibilities:

2.2.1 Governance Functions

- a) Assist the Board in the establishment of the Company’s corporate governance framework and oversee its implementation as well as periodically review the same to ensure it remains appropriate and relevant;
- b) Assist the Board in the establishment and implementation of a periodic performance evaluation/self-assessment process for the Board, the individual Directors, the Board committees, and the Management, and ensure that the evaluation/self-assessment results are shared, discussed and concrete plans are developed and implemented to address identified areas of improvement;
- c) Devise and make recommendations for policies that reflect best practices for overall good governance;



- d) Evaluate the current Board's composition and identify the current and future needs of the organization to ensure that the Board has the necessary diversity, perspectives, experience, skills, maturity and judgement to effectively pursue its duties in planning and oversight;
- e) Recommend continuing corporate governance education and training programs for the Directors, Key Management Personnel and employees of the Company, and propose for the approval of the Board, the assignment of tasks and projects to the Board committees;
- f) Assist the Board in overseeing compliance by the Company with applicable laws and regulations on corporate governance;
- g) Conduct or delegate the conduct of investigations of identified violations of the CG Rules by a Director, and recommend to the Board appropriate remedial, corrective, or preventive action; and
- h) Develop and conduct an orientation program for new Directors.

2.2.2 Nominations Functions

- a) Pre-screen all candidates nominated for election to the Board in accordance with the qualifications and disqualifications criteria as provided in the By Laws, CG Manual, relevant laws, rules and regulations, and such other factors which the Committee may deem appropriate such as skill set, experience with other business organizations of a size comparable to that of the Company, range of diversity aspects, including gender, age and ethnicity, integrity of the candidate's experience with the other Directors, and possible conflict of interest;
- b) Determine, identify and prepare a final list of qualified nominees for Directors and recommend that the Board approve such final list and recommend to the stockholders the qualified nominees included in the final list for election in the annual meeting of the stockholders;
- c) Identify and recommend qualified individuals for nomination and election as additional Directors or to fill Board vacancies as and when they arise;



- d) Assist the Board in the evaluation and selection of the CEO and other positions requiring appointment by the Board, through a review and evaluation of their qualifications, giving due consideration to integrity, technical expertise and experience in the Company's business, either current or planned;
- e) Review succession plans for Directors, the CEO, and other officers appointed by the Board; and
- f) Review and make recommendations to the Board on the following matters:
 - i) the composition and size of the Board and Board committees to ensure compliance with applicable laws, rules and regulations; and
 - ii) guidelines setting limits on directorships in other publicly listed corporations for Directors and term of office for independent Directors, provided such limitations shall in no way restrict or prevail over the stockholders' right to vote for and be voted as a director, which right shall remain inviolable.

2.2.3 Compensation and Remuneration Functions

- a.) establish a formal and transparent procedure for developing policies on executive remuneration that is consistent with the Company's culture, strategy, performance and the business environment in which it operates;
- b.) fix the remuneration packages of Directors and the CEO which shall be at a sufficient level to attract and retain directors and a CEO who are needed to run the Company successfully;
- c.) ensure that no Director is involved in determining his or her own remuneration;
- d.) provide in the Company's annual reports information and proxy statement, a clear, concise, and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year; and

- e.) review of the human resources development or personnel handbook, if any, to strengthen provisions dealing with conflict of interest, salaries and benefit policies, promotion and career advancement directives, and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts, or in the absence of such human resources development of personnel handbook, cause the development of such, covering the same parameters of governance as stated above.

3. Composition

- 3.1 The Committee shall be composed of at least five (5) Members who are all Directors, three (3) of whom, including the Committee Chairman, shall be Independent Directors. The Members and the Committee Chairman shall be appointed by the Board annually.
- 3.2 The Committee Chairman or any Member may be removed only by the Board.
- 3.3 The Chief Compliance Officer shall act as coordinator of the Committee's meetings who shall be responsible for providing secretarial and support services, including the recording and production of the minutes of meetings (the "**Secretariat**").
- 3.4 As may be requested by the Committee, the Chief Compliance Officer and the Chief Human Resources Officer shall provide technical support for related matters and functions.

4. Committee Procedures

4.1 Meetings

- (a) The Committee shall hold meetings at such times and places as it considers appropriate provided that at least two (2) meetings shall be held each year.
- (b) Meetings of the Committee shall be convened by the Committee Chairman.
- (c) A Committee meeting shall be convened upon notice in writing three (3) days prior to the meeting and specifying the place, date



and time for the meeting and the matters to be discussed at the meeting.

- (d) 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 present in the meeting at which there is a quorum. A Member may consent to short notice and may waive notice of any meeting of the Committee and any such waiver may be retrospective.
- (e) Each Member shall give to the Secretariat an electronic mail address for the service of notices of meetings of the Committee.
- (f) Notice of a meeting of the Committee shall be deemed to be duly served upon a Member if it is given to him personally, or sent to him by electronic mail to his address, as appropriate, given by him to the Secretariat in accordance with Sec. 4.1(e) above.
- (g) The quorum for a meeting of the Committee shall be at least a majority of the Members.
- (h) Resolutions at a meeting of the Committee at which there is a quorum shall be passed by a simple majority of votes of the Members present at such meeting.
 - (i) Each Member, including the Committee Chairman, shall have one (1) vote.
 - (ii) In case of an equality of votes, the Committee Chairman shall have a second or casting vote.
 - (iii) A resolution in writing signed by all Members shall be as valid and effective for all purposes as a resolution of the Committee passed at a meeting of the Committee duly convened, held and constituted. A written notification of confirmation of such resolution in writing sent by a Member shall be deemed to be his signature to such resolution in writing for such purpose. Such resolution in writing may consist of several documents, each signed by one or more Members.
- (i) 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 Committee Chairman may determine.

- (j) Members may participate in a meeting of the Committee through teleconference or video conference by means of which all persons participating in the meeting can hear each other.

4.2 Minutes and Records

- (a) The Secretariat shall prepare the agenda of each Committee meeting in coordination with the Committee Chairman, collate documents pertaining to the matters in the agenda, prepare minutes of the meetings of the Committee and/or recall sheets of decisions made during meetings of the Committee, and keep records of the Committee.
- (b) The Committee shall cause records to be kept for the following:
 - (i) appointments and resignations of the Members;
 - (ii) all agenda and other documents sent to the Members; and
 - (iii) minutes of proceedings and meetings.
- (c) Any such records shall be open for inspection by any Member upon reasonable prior notice during usual office hours of the Company.
- (d) Minutes of any meeting of the Committee, if purported to be signed by the Committee Chairman, or by the chairman of the meeting, shall be conclusive evidence of the proceedings and resolutions of such meeting.
- (a) Directors who are not members of the Committee shall receive copies of the draft Minutes of the Committee meeting with their Board papers and approved copies upon request.

4.3 Notice

- (a) Except for notice of meetings of the Committee which shall be given or issued in accordance with Section 4.1(f), any other notice or document to be given or issued to the Members may be served by the Committee upon any Member either (i) personally, or (ii) by



sending it by mail, postage prepaid, addressed to such Member/Advisor at his address, or (iii) by facsimile transmission.

- (b) Any notice sent by mail shall be deemed to have been served on the day following that on which the notice is mailed. In proving such service, it shall be sufficient to prove that the notice was properly addressed and mailed, postage prepaid. Any notice sent by facsimile transmission shall be deemed to have been sent upon dispatch, as evidenced by the facsimile transmission confirmation report.

5. Authorities

5.1 The Committee is authorized by the Board to:

- (a) Investigate any activities within the scope of the Committee's duties.
- (b) Obtain any information it requires from Management and to invite any member of Management to attend Committee meetings or related deliberations.
- (c) Obtain resources to discharge its functions, duties, and responsibilities, including advise from external consultants and functional specialists.

6. Remuneration of Members

No other fees or other remuneration shall be payable to the Members in respect of their services provided in connection with the Committee or in respect of their attendance at meetings of the Committee, save and except fees or remuneration authorized and approved by the Board for such purposes.

7. Committee Reports and Performance Evaluation

7.1 The Committee Chairman or his designated representative shall report to the Board all actions of the Committee at least once a year.

7.2 The Committee shall evaluate its effectiveness periodically, with the end in view of ensuring that its performance is in line with best practice. Such evaluation must compare the performance of the Committee with the requirements of its Charter and the CG Manual, set forth the goals and objectives of the Committee for the ensuing year and include any



recommendation to the Board on any improvements to the Charter deemed necessary or desirable by the Committee.

8. 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.