



Corporate Governance Committee Charter

I. Introduction

This constitutes the Charter of the Corporate Governance Committee (the "Committee") which sets forth its purposes, authority, duties and responsibilities, structure and procedures in accordance with the Revised Code of Corporate Governance of Philex Petroleum Corporation ("PXP").

II. Purposes, Authority, Duties and Responsibilities

1. Purposes

The primary purpose of the Committee is to assist the Board of Directors (the "Board") of the Company in performing the corporate governance duties in compliance with PXP's Corporate Governance Manual, the Revised Code of Corporate Governance of the Securities and Exchange Commission (SEC), and the Corporate Governance Guidelines and the listing rules of the Philippine Stock Exchange (PSE).

2. Authority

- 2.1 The Committee, in coordination with the Corporate Governance Officer, shall report directly to the Board on its decision or recommendation, unless there are legal and/or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).
- 2.2 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.
- 2.3 As necessary, the Committee is authorized to obtain independent external professional advice and to secure assistance from external parties with relevant experience and expertise where it considers necessary. The Committee shall have the sole authority to approve all reasonable related fees and terms of engagement, which fees shall be borne by the Company.
- 2.4 The Committee shall be provided with sufficient resources to perform its duties.

3. Duties and Responsibilities

In coordination with the Corporate Governance Officer, the duties of the Committee shall include the following aspects:

- 3.1 To develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- 3.2 To review and monitor the training and continuous professional development of directors and senior management;
- 3.3 To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- 3.4 To develop, review, update and monitor the code of conduct and compliance manual (if any) applicable to the directors and employees of the Company

3.5 To review all PXP's Material and/or Significant RPT as defined under the RPT Policy prior to Board approval; and

3.6 To review the Company's compliance with the Corporate Governance Manual, SEC Code of Corporate Governance, and PSE Corporate Governance Guidelines.

III. Committee Structure

1. Composition

- a) The Committee shall have a minimum of three (3) Members, each of whom, including the Chairman thereof who shall be chosen from among the Members of the Board of Directors.
- b) The majority of the members of the Committee (the "Members") shall be independent non-executive directors of the Company.
- c) The Chairman of the Committee (the "Chairman") shall be appointed by the Board.
- d) The Chairman of the Committee or any of its Members may be removed from office only by the Board. The Board may from time to time vary the composition of the Committee as may be required by the Listing Rules or other Applicable Rules.
- e) The Corporate Secretary or his/her designee shall be the secretary of the Committee.

IV. Committee Procedures

1. Meetings

a. Frequency

The Committee shall meet at least annually, and at such other time as the Committee may determine appropriate to perform its responsibility.

b. Quorum

The quorum of the Committee shall be any two Members, either present in person or by means of telephone conference or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

c. Attendance

- i. The Committee may invite the Chairman of the Board, other directors, external advisers and/or any other persons who have specific responsibility for, or interest or expertise in, the subject
- ii. Only Members are entitled to vote at the Committee meetings.
- iii. In the absence of the Committee Chairman and/or an appointed deputy, the remaining Members present shall elect one of the Members to chair the meeting.
- iv. The Committee Chairman or in his absence, another Member shall attend the annual general meetings of the Company and be prepared to respond to the questions from shareholders on the activities of the Committee and their responsibilities.

2. Escalation

The Committee shall timely refer to the Board its recommendations or decisions which require ratification or approval by the Board or, if otherwise, as it may deem necessary or proper.

3. Minutes and Records

- a) The Corporate Secretary shall prepare minutes of meetings of the Committee and keep records of the Committee.
- b) The Committee shall cause records to be kept for the following:
 - b.1 appointments and resignations of the Members;
 - b.2 all agenda and other documents sent to the Members; and
 - b.3 minutes of proceedings and meetings of the Committee.
- 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 Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence of the proceedings and resolutions of such meeting.

4. Notice

Notice of any meetings of the Committee will have to be given at least fourteen (14) days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. The requisite notice period is not required if a committee meeting is adjourned for less than 14 days.

V. Remuneration of Members

No 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 except fees or remuneration authorized and approved by the Board for such purposes. No fees or compensation shall be paid directly or indirectly to any Member or his firm for consultancy or advisory services rendered to the Company directly by the Member or indirectly through his firm even if such Member is not the actual service provider. However, this prohibition shall not apply to ordinary compensation paid to a Member or his firm in respect of any other supplier or other business relationship or transaction that the Board has determined to be at arm's length terms and immaterial for purposes of its basic Member's independence analysis.

VI. 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.