

PXP Energy Corporation Board Diversity Policy

POLICY STATEMENT

Consistent with PXP Energy Corporation's ("PXP" or the "Company") adherence to the principles of good corporate governance, the Company Board Diversity Policy (the "Policy") is hereby issued to define the Company's standing policy on board diversity.

1. Purpose

The Policy aims to ensure that optimal and sound decision-making is achieved by diversifying the composition of the Company's Board of Directors ("Board").

2. Vision

The Company recognizes the benefits of having a diverse Board to enhance the quality of its performance and decision making.

3. Policy Statement

The Company embraces and promotes diversity at all levels, including the Board. The Company recognizes that human capital remains its most valuable asset and as such, is committed to fostering, cultivating, and preserving a culture of diversity and inclusivity.

The collective sum of its diversity – in terms of background, race, ethnicity, religion, gender, age, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities, and talents – represents a significant part of PXP's culture, reputation and achievements.

4. Measurable Objectives

Selection of candidates will include consideration of a range of diversity perspectives, including but not limited to:

- gender,
- age,
- cultural and educational background,
- ethnicity,
- professional experience,
- skills,
- knowledge, and
- length of service.

The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board in respect of the Company's corporate objectives and the long term best interest of its shareholders and other stakeholders. The Board's composition (including gender, ethnicity, age and length of service) will be disclosed in the Company's Corporate Governance Report annually.

5. Composition of the Board

Pursuant to the Articles of Incorporation and By-Laws of the Company, the Board shall be composed of nine (9) members, who shall be elected annually at the regular meeting of the stockholders.

Out of the nine (9) members, at least one (1) shall be female; at least one (1) member shall be a lawyer with knowledge, experience and expertise on the regulatory requirements in the energy industry; and, at least two (2) members with financial expertise in managing credit, market and liquidity operations of the Company.

6. Monitoring and Reporting

The Nomination Committee will report annually, in the Company's Annual Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of this Policy.

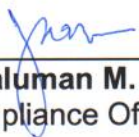

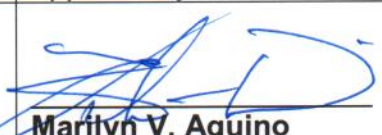
7. Review of this Policy

The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

8. Disclosure of this Policy

This Policy will be published in the Corporate Governance section of the Company's website for public information.

9. Approval

Endorsed for Board Approval by:	Endorsed for Board Approval by:	Endorsed for Board Approval by:
 Paraluman M. Navarro Compliance Officer Date: <u>May 30, 2017</u>	 Daniel Stephen P. Carlos President Date: <u>May 30, 2017</u>	 Marilyn V. Aquino Chairman, Corporate Governance Committee Date: <u>30 May 2017</u>

APPROVED BY THE BOARD OF DIRECTORS
ON MAY 30, 2017