

PRIME ORION PHILIPPINES, INC.

Compensation and Remuneration Committee Charter

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1. Purpose of the Compensation and Remuneration Committee

The purpose of the Compensation and Remuneration Committee (the “Committee”) is to assist the Board of Directors (“Board”) of Prime Orion Philippines, Inc. (the “Corporation”) in the review of the Corporation’s remuneration policies and programs, as provided in the Corporation’s Manual on Corporate Governance (“Manual”).

2. Membership and Composition

- 2.1 The appointment of the Committee, including the designation of the Chair of the Committee and the designation of its members, shall be made on an annual basis by the majority of the Board during its organizational meeting or in case there is a vacancy, during the meeting of the Board constituting a quorum.
- 2.2 The Committee shall have a minimum of three (3) members of the Board, one of whom shall be an independent director.
- 2.3 The Chairman of the Committee or any of its members may be removed from the Committee only by majority vote of the Board.

3. Responsibilities

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

- 3.1 Establish a 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 ensuring that compensation is consistent with the Corporation’s culture, strategy and control environment;
- 3.2 Designate amount of remuneration, which shall be in sufficient level to attract and retain directors and officers who are needed to run the Corporation successfully;
- 3.3 Develop a form on Full Business Interest Disclosure for directors and as part of the pre-employment requirements for all incoming officers, which includes, among others, a declaration under the penalty of perjury of all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once elected or hired;
- 3.4 Disallow any director to decide his or her own remuneration;
- 3.5 Provide in the Corporation’s annual reports, information and proxy statements and such other required reports a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and ensuing year;
- 3.6 Review the existing Human Resources Development or Personnel Handbook/Manual, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts; and

3.7 Perform such other responsibilities that may be delegated to the Committee by the Board from time to time.

4. Meetings and Process

- 4.1 The Committee shall hold meetings at such times and places as the Committee shall determine. Notice of the meeting of the Committee shall be deemed to be duly served upon a member if it is given to him/her personally, or sent to him/her by mail, email or facsimile transmission to his/her address or facsimile number, as appropriate. Notice of each meeting shall be given at least three (3) working days prior to meeting date. The Chairman of the Committee, any member of the Committee or the Corporate Secretary can call a meeting of the Committee.
- 4.2 Attendance of at least two (2) Committee members shall constitute a quorum for the Committee to transact business.
- 4.3 The Corporation's Corporate Secretary shall be the secretary of the Committee. Full minutes of the Committee meeting shall be kept by the Corporate Secretary.
- 4.4 The President, Chief Executive Officer and Chief Financial Officer may be requested to attend Committee meetings. As and when appropriate, the Committee may require other members of the Board to be present at the meetings.
- 4.5 The Chairman of the Committee shall report to the Board on the decisions and recommendations made by the Committee following each meeting.

5. Performance Evaluation

- 5.1 The Committee shall review its performance annually with respect to the fulfillment of its functions and responsibilities as mandated in this Charter.
- 5.2 The Committee shall assess its performance through a self-assessment form.

6. Amendment

Any amendment or revision to this Charter must be approved by resolution of the majority of the Board of Directors.

Approved this _____ day of _____:

Felipe U. Yap Committee Chairman	Yuen Po Seng Committee Member	Ricardo J. Romulo Committee Member
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