



REMUNERATION COMMITTEE CHARTER

PURPOSE

The Remuneration Committee is the Committee of the Board responsible for ensuring that the Company's overall reward philosophy is consistent with achievement of the Company's strategic objectives and with the Company's values.

It is responsible for considering and making recommendations to the Board in respect of the remuneration policy for the Chairman, Chief Executive Officer ("CEO"), Executive Directors and Executive Committee. The Committee also has oversight of the remuneration arrangements for the direct reports to the Executive Committee, the remuneration policy for which is set by the CEO.

AUTHORITY

The Committee will operate under delegated authority from the Board and the Chairman will report to the Board on the Committee's proceedings after each meeting. Committee minutes will also be circulated to the members of the Board.

COMPOSITION

The Remuneration Committee shall be composed of not less than three (3) Directors, one (1) of whom shall be an independent director and one (1) non-voting member in the person of the HR Manager. The members of the Executive Compensation Committee shall serve for a period of one (1) year or until their successor(s) shall have been duly appointed and qualified.

INFORMATION AND INDEPENDENT ADVICE

The remuneration committee is authorized to seek any information that it requires from any employee and shall have unrestricted access to company documents and company information.

The remuneration committee is authorized to obtain outside legal or independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

If the remuneration committee makes use of the services of a remuneration consultant in carrying out its duties, the consultant concerned should at any time be independent from - and shall not provide any advice to any of the members of - the company's executive board. The consultant concerned may accept other assignments from the company only with the prior consent of the

remuneration committee. When the occasion arises, this does not prevent another consultant working from the same organization from accepting an assignment from the company, provided that there is sufficient assurance that the two individual consultants operate independently from each other.

CHAIRMAN

The Board shall appoint the Committee Chairman who shall be an independent non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board shall not be Chairman of the Committee.

The chairman shall be primarily responsible for the proper functioning of the remuneration committee. He/she shall act as the spokesman of the remuneration committee and shall be the main contact for the supervisory board.

MEETINGS

The remuneration committee shall hold a meeting at least once a year and whenever one or more of its members request a meeting. Remuneration committee meetings shall be convened by the member(s) requesting the meeting. The remuneration committee will agree on an annual schedule of meetings and the principal items to be discussed at the meetings.

The remuneration committee may invite the CEO, the member of the corporate executive board responsible for HR, the Chief HR Officer and other officers to the meetings.

Notices convening a meeting, the agenda and all material to be discussed in the meeting shall be dispatched at least 7 days before the meeting and be sent to each member of the remuneration committee.

The remuneration committee shall appoint a secretary. He/she shall be responsible for the preparation of the minutes of the meeting and the timely distribution of all material. The minutes of the remuneration committee shall be dispatched within 15 days after the meeting and sent to each member of the remuneration committee.

RESPONSIBILITIES

The main purpose of the Committee is to consider, agree and recommend to the Board an overall remuneration policy and philosophy for the Company that is aligned with its long term business strategy, its business objectives, its risk appetite, values and the long term interests of the Group and recognizes the interests of relevant stakeholders.

In discharging this purpose, the Committee's principal responsibilities are to:

Formulate Remuneration Policy

- a) Determine and approve the contracts of employment and the terms of service, including all aspects of remuneration in respect of:

- The Group Chief Executive, the Company Secretary and each direct report to the Group Chief Executive.
 - The terms and other commitments to be made on the retirement, resignation or dismissal of the Group Chief Executive or any of the latter's direct reports (excluding Personal Assistant / Executive Assistant) and the Company Secretary with the aim of ensuring fairness, avoiding reward for failure and recognizing the duty to mitigate loss.
 - Any other individuals who's Total Compensation (defined as base salary plus annual bonus before deferral) exceed an amount agreed by the Remuneration Committee.
- b) Determination of appropriate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the corporation successfully.
 - c) Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among others compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired.
 - d) Set the budget for annual salary increases for colleagues.
 - e) Review and approve the overall incentive spend as a proportion of Net Revenues and Economic Profit and ensure that evidence exists to demonstrate that awards have been adjusted for risk.
 - f) Agree the policy for authorizing claims for expenses from the Group Chief Executive and the Company Chairman and Deputy Chairman.

Monitor Remuneration Policy

- a) Review annually the report from the Group HR Director on the operation of the Remuneration Policy and its effectiveness including procedures and processes to avoid conflicts of interest and to note the arrangements in place to ensure employees receive adequate information to understand the requirements of the Remuneration Policy and the Remuneration Code.
- b) Monitor the application of the authority delegated to the Group Chief Executive and the Divisional/Business Area Remuneration Committees to ensure that policies and principles are being consistently and effectively applied, seeking support and input from HR and Risk as appropriate and appropriate sign off from the business units.
- c) Review of existing Human Resources Development or Personnel Handbook, or such similar and analogous resource, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance by personnel with statutory requirements and conditions. In the absence of such Handbook, the Committee will cause the development of such, covering the same parameters of governance stated above.

IN WITNESS WHEREOF, we have hereunto affixed our signatures on _____
in Pasig City.

FRANCISCO C. GONZALEZ
Chairman of Remuneration Committee

ROBERT JOHN L. SOBREPEÑA
Chairman of the Board

FERDINAND T. SANTOS
Remuneration Committee Member

EDUARDO R. SANTOS
Remuneration Committee Member

KHATERYN M. BENITEZ
Remuneration Committee Member

Remuneration Committee Member