

**CHARTER OF THE
PERFORMANCE AGREEMENT NEGOTIATION COMMITTEE
OF THE BOARD OF DIRECTORS OF
PHILIPPINE NATIONAL COSTRUCTION CORPORATION**

INTRODUCTION:

The purpose of the **Performance Agreement Negotiation Committee** (the “*Committee*”) of the Board of Directors (the “*Board*”) of **Philippine National Construction Corporation** (the “*Company*”) is to assist in timely submission of performance report pursuant to commitment in the Performance Agreement.

RESOURCES AND AUTHORITY:

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain and terminate counsel and other experts or consultants, including sole authority to approve the third party’s fees and other retention terms. In discharging its responsibilities, the Committee shall have full access to any relevant records of the Company and may also request that any officer, employee or consultant of the Company, including the Company’s outside counsel, meet with any members of, or consultants to, the Committee.

ROLE:

The Committee shall consist of six members of the Board. The Board shall appoint the members of the Committee, one of whom shall be appointed by the Board as the Chairperson of the Committee, upon consideration of the recommendations of the Governance and Nominating Committee of the Board. The Board may also remove a Committee member from membership on the Committee at any time, with or without cause, after considering the recommendations of the Governance and Nominating Committee. The Committee may designate its own Secretary, who may be a non-Committee member.

Members shall qualify for service on the Committee based primarily upon their ability to further the Committee’s purposes and to assist the Committee in meeting its duties and responsibilities.

ORGANIZATION:

The Chief Executive Officer or President of the Company, the Chairman of the Board or any member of the Committee may call a meeting of the Committee at any time. It is anticipated that the Committee will meet as required to review relevant issues, generally in conjunction with the regularly scheduled meetings of the Board, and from time to time as otherwise required or appropriate. A majority of the Committee members shall constitute a quorum for the transaction of business. To the extent permitted by the Company’s Articles and Code of Regulations, the Committee may also take action by unanimous written consent.

The Committee in its sole discretion may invite members of management and others to attend meetings and provide pertinent information.

The Board Will:

1. Act in an advisory capacity to assess goals, strategies and action plans, which will be reviewed by the full Board.
2. Coordinates with the Management regarding GCG policies and guidelines.
3. Ensures that the Management is up-to-date with new GCG policies and guidelines.
4. Advise the Board regarding GCG current policies and guidelines.
5. Assist the Board and Management in the development of an effective strategic planning process and planning calendar to realize the vision and accomplish the mission of PNCC.
6. Updates the board with current GCG performance standards and policies.
7. Ensures that the PNCC is compliant with the GCG requirements.

MISCELLANEOUS:

Nothing in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purpose and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities. This Charter is intended to be consistent with, and should be read in conjunction with, the Company's Corporate Governance Guidelines.

Approved : April 10, 2019 BD 36-2019