



MJC Drive, Sta. Cruz, Manila
Tel No. 632-7373/Fax No. 631-2846

BOARD OF DIRECTORS CHARTER

In compliance with the Securities and Exchange Commission Memorandum Circular No. 19 series of 2016, otherwise known as the Code of Corporate Governance for Publicly-Listed Companies,¹ the Board of Directors of MJC Investments Corporation adopts the following Board of Directors Charter subject to the provisions of the Company's Articles of Incorporate and By-Laws and all applicable laws of the Philippines

I. PURPOSE

The Board of Directors is the governing body elected by the stockholders that exercises the corporate powers of a corporation, conducts all its business and controls its properties. It is the objective of the Company to clearly define the respective roles, responsibilities and authorities of the Board of Directors in order to set the direction, management and the control of the organization. This charter shall guide the corporation's leadership in delivering good corporate governance and establish effective operating procedures for the Board.

II. COMPOSITION

Pursuant to the Code, the Board shall be composed of directors with a collective working knowledge, experience or expertise that is relevant to the company's industry and ensure that its members remain qualified for the positions individually and collectively to enable to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.

The administration and management of the Corporation shall be the responsibility of a Board of Directors composed of eleven (11) members. Immediately after its election, the Board of Directors shall meet and shall elect a Chairman and a President from among their members and to appoint a Secretary and a Treasurer.

The Company shall have two (2) independent directors or at least twenty percent (20%) of its board size, whichever is lesser.

¹Hereinafter referred to as the "Code."



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The Board may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined by the Board.

III. POWERS AND DUTIES

The corporate powers of the company shall be exercised, its business conducted and its property controlled by the Board of Directors. Aside from those provided by the Corporation Code and the corporate By-Laws, the Board of Directors shall also have the following powers:

1. To cause to be kept a complete record of all their minutes and acts of the proceedings of stockholders; to present or cause to be presented at the annual stockholders' meeting a statement of accounts showing in detail the assets and liabilities of the corporation and generally the condition of the company's affairs. A similar statement shall be presented at any other meeting of the stockholders, when therein required by persons holding at least one-third (1/3) of the subscribed capital stocks of the corporation.
2. To declare dividends out of the surplus profits when such profits shall, in the opinion of the directors, warrant the same,
3. To supervise all officers, agents and employees and see that their duties are properly performed.
4. To appoint and remove at pleasure all officers, agents and employees of the corporation, prescribe their duties unless provided for in these by-laws, fix their compensation and require from them security for faithful service.
5. To conduct, manage and control the affairs and business of the corporation and to make rules and regulation not inconsistent with the laws of the Philippines or by-laws of the corporation for the guidance and management of the corporation.

IV. NOMINATION AND ELECTION

A. Nomination of Regular and Independent Directors

The rules governing the nomination and election of Independent Directors as provided under the Securities Regulation Code and our By-laws shall be adopted and shall be made applicable also to the nomination and election of the regular members of the Board of Directors.



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- The Nomination Committee of the Board shall pre-screen the nominees to determine if they have all the qualifications and none of the disqualifications of a member of the Board as prescribed by the Corporation Code and the Securities Regulation Code.
- Only stockholders of good standing can nominate directors. ALL nominations, whether for the position of regular or independent director, should be submitted to the Nomination Committee at least five (5) days prior to the Annual Stockholders' Meeting for the Committee to have ample time to pre-screen and evaluate the nominees. The Nomination Committee shall submit a report certifying the Final List of Nominees for the position of Regular and Independent Directors. No further nomination shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

B. Election of Board of Directors

- There shall be two (2) rounds of voting. The first round shall be the election of the nine (9) regular directors, and the second round shall be the election of the two (2) independent directors.
- Voting is by *viva voce* or by acclamation. However, the election must be by ballot if requested by any stockholder.
- Every stockholder has the right to cumulative voting.
- The votes shall be tallied by the Corporation's external auditor under the supervision of the Corporate Secretary.

V. VACANCIES

In the event of vacancy or vacancies in the Board of Directors occurring during the interval between two (2) annual meeting on account of death, resignation, or any other cause, the remaining Directors may elect from among the stockholders those who shall fill the vacancies and said stockholders shall act as members of the Board until the election of a new Board of Directors shall be held again.

VI. FINAL PROVISIONS

This policy shall take effect on 2 August 2018 subject to regular review by the Board and shall be revised or amended as the Board deems it appropriate.