



MEGAWIDE CONSTRUCTION CORPORATION  
CHARTER OF THE



- (j) Is not affiliated with any non-profit organization that receives significant funding from the Company, any of its related companies, or substantial shareholders; and
- (k) Is not employed as an executive officer of another company where any of the Company's executives serve as Directors.

Related companies, as used in this Section, refer to (a) the Company's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company.

SECTION 5.

- (a) A stockholder may not be nominated or elected to the Board if he/she represents or holds an interest adverse to or in conflict with those of the Company, or if he/she is an officer or Director.



When the vacancy is due to the expiration of a term, the election shall be held within five (5) days from the day of such expiration, at a meeting called for that purpose. When the vacancy arises as a result of removal by the stockholders, the election may be held on the same day of the meeting authorizing the removal and this fact must be so stated in the agenda and notice of said meeting. In all other cases, the election must be held no later than forty-five (45) days from the time the vacancy



Such other officers as may be provided in the By-Laws of the Company or as may be required under applicable laws and/or rules of the SEC, may likewise be elected.

SECTION 2. . Immediately after their election, the Directors of the Company shall formally organize and elect the corporate officers.

SECTION 3. . The Director elected as President shall automatically be the Chairman of the Board.

SECTION 4.



SECTION 7. . A majority of the Directors as fixed in the Articles of Incorporation, or as may hereafter be increased, shall constitute a quorum for the transaction of corporate business, and



- (f) To establish pension, retirement, bonus, or other types of incentives or compensation plans for the employees, including officers and Directors of the Company;
- (g) To prosecute, maintain, defend, compromise or abandon any lawsuit in which the Company or its officer are either plaintiffs or defendants in connection with the business of the Company;
- (h) To delegate, from time to time, any of the powers of the Board which may lawfully be delegated in the course of the current business of the Company to any standing or special committee or to any officer or agent and to appoint any person to be agent of the Company with such powers and upon such terms as may be deemed fit; and
- (i) To implement the By-Laws and to act on any matter not covered by the By-Laws, provided such matter does not require the approval or consent of the stockholders under the Revised Corporation Code of the Philippines.

ARTICLE IX  
ROLES AND



- (g) 9bgi fY'h\Y'7ca dUbnf; ZJhZ 'Wca dliance with all applicable laws, regulations and best business practices;
- (h) Appoint/Elect a Compliance Officer to assist the Board in monitoring, reviewing, evaluating, and ensuring compliance by the Company, Directors, and officers with the applicable laws, rules and regulations, the New Manual, the Code of Business Conduct and Ethics





- (s) Ensure that appropriate compensation policies are in place, especially for senior Management, and that the compensation is at an appropriate level and commensurate to the contribution made to the business;
- (t) Determine the remunerations of Directors and Management in accordance with applicable laws, taking into consideration the long-term interests of the Company. In doing so, it shall formulate and adopt a policy specifying the relationship between remuneration and performance. No Director shall participate in discussions or deliberations involving his/her own remuneration.

It shall be subject to the By-Laws and/or as approved by the shareholders during the annual shareholders meeting.

regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;

- (b) Guarantee that the Board receives accurate, timely relevant, insightful, concise, and clear information to enable it to make sound decisions;
- (c) Facilitate discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual Directors;
- (d) Ensure that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;
- (e) Assure the availability of proper orientation for first time Directors and continuing training opportunities for all Directors; and
- (f) Make sure that the performance of the Board is evaluated at least once a year.

SECTION 2. . Whenever applicable, the functions of the Lead Director are the following, among others:

- (a) Serve as an intermediary between the Chairman and the other Directors when necessary;
- (b) Convene and chair meetings of the Non-Executive Directors; and
- (c) Contribute to the performance and evaluation of the Chairman whenever required.

## ARTICLE XI STRENGTHENING BOARD ETHICS, COMPETENCE AND COMMITMENT

SECTION 1. The Board shall adopt a Code of Business Conduct and Ethics, which will provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in external dealings. The said code shall be properly disseminated to the Board, Management, and employees. It shall also be disclosed and made available to the public.

The Board shall ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics, including all internal policies.

SECTION 2. . It is the policy of the Company to provide relevant training to its Directors, which shall include an orientation programs for first-time Directors as continuing annual training for all Directors. The trainings and orientation cover topics or subjects mandated by the SEC on corporate governance and conducted by a government institution, or a private institution duly accredited by the SEC.

SECTION 3. . The Directors shall attend and actively participate in all meetings of the Board, Board Committees, and of the stockholders, in person or through teleconferencing, or videoconferencing conducted in accordance with the rules and regulations of the SEC, except when justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent them from doing so. In Board and Board Committee meetings, Directors shall review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.

SECTION 4. . It shall be the duty of an incumbent Director of the Board to notify the Board that he/she is being nominated or about to be elected as a Director of another company. Such notice may be made during a Board meeting or in writing well in advance of the nomination and/or election.



ARTICLE XII  
ASSESSING BOARD PERFORMANCE

SECTION 1. . The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairman, all the Directors, and the Board