

LBC EXPRESS HOLDINGS, INC.
CORPORATE GOVERNANCE COMMITTEE CHARTER

1.0 Corporate Governance Committee

The Board establishes a Corporate Governance Committee that should be tasked to assist the Board in the performance of its corporate governance responsibilities. It shall be composed of at least three (3) members, all of whom should be independent directors, including the Chairman.

2.0 Functions and Responsibilities of Corporate Governance Committee

The Corporate Governance Committee (CG Committee) is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. It has the following duties and functions, among others:

- a. Oversees the implementation of the corporate governance framework and periodically review the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;
- b. Oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;
- c. Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
- d. Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
- e. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- f. Proposes and plans relevant trainings for the members of the Board;
- g. Determines the nomination and election process for the company's directors and has the special duty of defining the general profile of board members that the company may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board; and
- h. Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the corporation's culture and strategy as well as the business environment in which it operates;
- i. Review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval in accordance with the qualifications and disqualifications provided under this Manual, the Corporation Code, Securities Regulation Code and other relevant laws;
- j. Assess the effectiveness of the Board's processes and procedures in the election or replacement of directors;

- k. In consultation with the executive or management committee/s, redefine the role, duties and responsibilities of the CEO by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance at all times;
- l. Establish a formal and transparent procedure for developing a policy on remuneration of directors and officers to ensure that their compensation is consistent with the corporation's culture, strategy and the business environment in which it operates;
- m. Designate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the company successfully;
- n. Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any, and officers;
- o. 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;
- p. Disallow any director to decide his or her own remuneration;
- q. Provide in the Corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year;
- r. Review (if any) of the existing Human Resources Development or Personnel Handbook, 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
- s. Or in the absence of such Personnel Handbook, cause the development of such, covering the same parameters of governance stated above.

3.0 Meetings

The Committee shall meet in person or via telephone/video-conference at least quarterly and at such times and places as it considers appropriate. The Chairman of the Committee, any Committee member, or the Corporate Secretary of the Company may call a meeting of the Committee.

Attendance of at least two (2) Committee members shall constitute a quorum for the committee to transact business. The Committee shall act only on the affirmative vote of at least a majority of the members present at a meeting at which there is a quorum.

The Chairman of the Committee shall preside in all meetings of the Committee. In the absence of the Committee Chairman, the Committee members present shall elect one of their members as Chairman of the meeting.

4.0 Reporting Process

The Chairman of the Committee, or in his absence, the member elected by the members present in a meeting, shall report to the Board about Committee activities, issues, and related recommendations made by the Committee.

The Committee shall prepare an annual report of its activities to the Board for inclusion in the Company's annual report.

5.0 Performance Evaluation

The Committee shall conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees.

The Committee shall likewise revisit this Charter on a yearly basis to evaluate new standards in best governance practices. All proposed changes and amendments to this Charter shall require approval of the Board.

6.0 Amendment

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.

Approved by:

MIGUEL A. CAMAHORT
President & CEO