

## **CHARTER OF THE NOMINATION COMMITTEE**

### **CEMEX HOLDINGS PHILIPPINES, INC.**

*[Endorsed by the Nomination Committee and  
Approved by the Board of Directors on 25 October 2016]*

#### **Section 1. Functions**

The Nomination Committee shall assist and advise the Board of Directors with respect to the review and evaluation of the qualifications of all persons nominated to the Board of and other appointments that require Board approval; the assessment of the effectiveness of the Board's processes and procedures in the election or replacement of directors; and in the assessment of the Board's effectiveness in the process of replacing or appointing new members to the Board And/or Board Committee.

#### **Section 2. Key Responsibilities**

To perform these functions, the following are the specific responsibilities of the Committee:

1. Review and monitor the structure, size and composition of the Board and make recommendations to ensure that the Board has the required number of Independent Directors with the qualifications and none of the disqualifications as provided in applicable laws, regulations, listing rules and the Corporation's policies.
2. Pre-screen and shortlist candidates nominated to become a member of the Board in accordance with the qualifications and disqualification criteria as provided in applicable laws, regulations, listing rules and the Corporation's policies, and such other factors which the Committee may deem appropriate such as judgement, skill, experience with other business organizations of a size comparable to that of the Corporation, the integrity of the candidate's experience with the experience of other Directors, and possible conflict of interest. It shall likewise assess the independence of independent directors.
3. Identify and recommend qualified individuals for nomination and election as additional Directors or to fill Board vacancies as and when they arise. The election of such additional or replacement Directors shall be done in accordance with applicable laws and regulations.
4. Ensure that the Corporation shall have at least two (2) Independent Directors or such number of Independent Directors which constitute at least twenty percent (20%) of the members of the Board, whichever is lesser.
5. Review with the Board on an annual basis the appropriate skills and characteristics required on Board in the context of the strategic direction of the Corporation.
6. Recommend Committee assignment, including Committee Chairmanships, to the full Board for approval after receiving advice from the Chairman of the Board and President and with consideration of the desires of individual Board members.

7. Assess the effectiveness of the Board's processes and procedures in the election or replacement of Directors.
8. Recommend to the Board and/or the Management the adoption of the policy requiring each director to disclose to the Corporation at the time of his appointment, and in timely manner for any change, the number and nature of offices held in public companies or organization and other significant commitments, with the identity of the public companies or organizations on annual basis.

### **Section 3. Composition**

1. The Nomination Committee shall be composed of at least three (3) members, at least one of whom shall be an Independent Director. The members of the Committee including the Chairman, who shall be an independent director, shall be appointed by the Board of Directors annually.
2. The Board of Directors may appoint one or more persons to serve as advisor(s) to the Committee. Advisors shall have the right to attend and speak at any meeting of the Committee, but shall have no right to vote in respect of any action by the Committee.
3. The Chairman or any member or advisor of the Committee may be removed from office only by the Board of Directors.

### **Section 4. Committee Procedures**

#### **a. Meetings**

1. The Committee shall hold meetings at such times and places as it consider appropriate provided that not less than two (2) meetings shall be held each year.
2. Meetings of the Committee shall be convened by the Chairman of the Committee as and when he considers appropriate and the Chairman shall convene a meeting upon the request of a majority in number of the voting Members of the Committee.
3. The time and place of the meetings and procedures at such meetings shall be determined by the Committee. A majority of the members of the Committee shall constitute a quorum provided that an Independent Director is present (unless he has been duly notified but deliberately and without justifiable cause fails to attend the meeting).
4. Members of the Committee and advisors may participate in any meetings of the Committee through teleconference, video conference or other similar means, provided that all persons participating in the meeting can hear each other.
5. Notices of the meetings of the Committee shall be sent to the Members and Advisors by personal delivery, mail, facsimile, electronic mail or other similar means at least three (3) calendar days prior to the meeting and specifying the place, date and time of the meeting, as well as the matters to be discussed during the meeting. For this purpose, the Committee Secretary shall obtain the addresses,

facsimile numbers and electronic mail addresses of each Member and Advisor of the Committee where notices of meetings may be sent.

6. Notwithstanding that a meeting is called by shorter notice, it shall be deemed to have been duly convened if it is so agreed by the Members present in the meeting at which there is a quorum. A Member may consent to short notice and may waive notice of any meeting of the Committee and such waiver may be retrospective.
7. Resolutions at a meeting of the Committee at which there is quorum shall be passed by a simple majority of votes of the voting Members present at such meeting. Each Member, including the Chairman of the Committee, shall have one (1) vote. Whenever a Committee Member has conflict of interest in a matter to be considered by the Committee which the Committee considers to be material, such interested member shall abstain from voting on any Committee resolution in which they or any of their associates have a material interest. The Committee shall decide on the matter without taking into consideration the position of the Member who has a material conflict of interest. In case of an equality of votes, the Chairman of the Committee shall not have a second or casting vote.

**b. Minutes and Records**

1. The Committee shall appoint a Committee Secretary who shall issue notices and agenda for the meetings; disseminate meeting materials, if necessary; prepare minutes of meetings of the Committee and keep book and records of the Committee.
2. The Committee shall cause records to be kept for the following:
  - a. Appointments and resignations of Members of the Committee;
  - b. All Agenda and other documents sent to the Members of the Committee; and
  - c. Minutes of proceedings and meetings of the Committee.
3. Any such books and records shall be open for inspection by any Member of the Committee upon reasonable prior notice during usual office hours of the Corporation.

**Section 5. Resources and Authorities**

1. The Committee shall have the resources and authorities appropriate to discharge its functions, duties and responsibilities including the authority to obtain advice from external consultants and functional specialists within the Corporation.
2. The Committee shall report directly to the Board on its decision or recommendation, unless there are legal or regulatory restrictions on its ability to do so (such as restriction on disclosure due to regulatory requirements.)
3. The Committee shall have the right to require Management to furnish all information requested by the Committee as may be required for the purposes of performing its duties.

## **Section 6. Committee Reports and Performance Evaluation**

1. The Committee shall report its activities to the Board on a regular basis and make such recommendations with respect thereto and other matters as the Committee may deem necessary or appropriate.
2. The Committee shall prepare and review with the Board of Directors an annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of its Charter, set forth the goals and objectives of the Committee for the ensuing year and include any recommendation to the Board of Directors on any improvement to the Charter deemed necessary or desirable by the Committee.

## **Section 7. Amendment or alteration of this Charter**

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