

**CHARTER OF THE
CORPORATE GOVERNANCE COMMITTEE**

of

HOLCIM PHILIPPINES, INC.

Effective Date: 1 June 2017

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1. INTRODUCTION

1.1 Preliminary Matters

Corporate Governance Committee As authorized by Article III, Section 11 of the By-Laws and Corporate Governance Manual of Holcim Philippines, Inc. (the “Company”), the Board of Directors of the Company (the “Board”) constituted the Corporate Governance Committee (the “Committee”) to assist the Board in the performance of the following: (i) corporate governance responsibilities, (ii) nomination process for the election or appointment of directors and officers, and (iii) executive compensation/remuneration.

Committee Charter Pursuant to, and in compliance with the Securities and Exchange Commission Memorandum Circular No. 19, Series of 2016 (the “Code of Corporate Governance for Publicly-Listed Companies”), the Company’s Corporate Governance Manual, the Board promulgates this Corporate Governance Committee Charter (the “Charter”) stating its purpose, membership, structure, operation, reporting process, resources, and other relevant information, as well as the standards for its performance evaluation.¹

1.2 Defined Terms

The following capitalized terms shall have the meanings ascribed to them below:

- Articles** the Articles of Incorporation of the Company, as may be amended from time to time;
- Annual Meeting** the annual stockholders’ meeting of the Company held in accordance with the By-laws;
- Board** the Board of Directors of the Company;
- By-laws** the By-laws of the Company, as may be amended from time to time;
- CG Code** the Securities and Exchange Commission Memorandum Circular No. 19, Series of 2016 otherwise known as the “Code of Corporate Governance for Publicly-Listed Companies”;
- CG Manual** the Company’s Corporate Governance Manual, as may be amended from time to time;
- Charter** this Charter of the Corporate Governance Committee, as may be amended from time to time;

¹ CG Code, Recommendation 3.6. NB: all footnotes refer to CG Code.

Committee	the Corporate Governance Committee;
Committee Chairman	the Chairman of the Corporate Governance Committee;
Company	Holcim Philippines, Inc.;
Independent Director	a person who is independent of Management and the controlling shareholder, is free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director; ² and maintains all of the qualifications of Independent Directors set out in the CG Manual; and
Management	a group of executives given the authority by the Board to implement the policies it has laid down in the conduct of the business of the corporation. ³

2. PURPOSE

In general The Committee shall primarily assist the Board in the performance of responsibilities in the following: (i) corporate governance, (ii) nomination of directors and officers, and (iii) compensation/remuneration.

3. AUTHORITY

In general The Committee shall have the resources and authorities appropriate to discharge its responsibilities including the authority to engage and obtain external advice, counsel or consultancy services as it deems appropriate without need for Board approval.

4. COMMITTEE STRUCTURE AND MEMBERSHIP

4.1. Composition

In General The Committee shall be composed of at least five (5) members, at least three (3) of whom shall be an Independent Director. The Committee Chairman shall be a non-executive non-Independent Director.

4.2. Term

In General The Board shall appoint the members of the Committee at its Organizational Meeting and each member shall serve upon his election until the next Organizational Meeting of

² Definition of Terms.

³ Definition of Terms.

the Board, unless removed or replaced by the Board. The Organizational Meeting of the Board is held without notice after the Annual Meeting for the purpose of appointment of members of the Board Committees and Management.

Vacancies

Any vacancy in the Committee caused by death, resignation, or disqualification of any member, or by any other cause, may be filled by the Board. The member elected to fill the vacancy shall hold office for the remainder of the term, or until his successor shall have been duly elected and qualified.

4.3 Qualifications and Disqualifications

In General

The Committee Chairman and the members of the Committee shall possess all of the qualifications and have none of the disqualifications for membership in the Board as provided for in the By-Laws and the CG Manual, the Corporation Code, the Securities Regulation Code, and other relevant laws. Moreover, the Committee member or members who is/are Independent Directors, must meet the qualifications of Independent Directors set out in the CG Manual.

Independent Directors

An Independent Director shall be free from any relationships that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

Knowledge of Corporate Governance

All members of the Committee shall have an adequate working knowledge with the Company's Articles, By-laws, CG Manual, the CG Code, and the Company's business and industry in which it operates.

Training and Education

The members of the Committee shall attend seminars on corporate governance and such other trainings as are appropriate conducted by duly recognized private or government entities to keep their skills and expertise current and relevant.

5. DUTIES AND FUNCTIONS

5.1. Corporate Governance

Duties and Functions

In the exercise of its responsibility of ensuring compliance with and proper observance of corporate governance principles and practices, and in close consultation with the Chairman of the Board, the Committee has the following duties and functions:

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| <i>Corporate Governance Framework</i> | (a) Oversee 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 Company’s size, complexity and business strategy, as well as its business and regulatory environments; ⁴ |
| <i>Performance Evaluation</i> | (b) Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance; ⁵ |
| <i>Areas for Improvement</i> | (c) Ensure 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; ⁶ |
| <i>Continuing Education</i> | (d) Recommend 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; ⁷ |
| <i>Corporate Governance Policy</i> | (e) Recommend corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance; ⁸ |
| <i>Board Trainings</i> | (f) Propose and plan relevant trainings for the members of the Board; ⁹ |

5.2. Nomination and Election

Duties and Functions In the exercise of its responsibility of overseeing the nomination and election process of directors and officers, and in close consultation with the Chairman of the Board, the Committee has the following duties and functions:

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| <i>Nomination and</i> | (a) Determine the nomination and election process for |
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⁴ Explanation (a) to Recommendation 3.3.

⁵ Explanation (b) to Recommendation 3.3.

⁶ Explanation (c) to Recommendation 3.3.

⁷ Explanation (d) to Recommendation 3.3.

⁸ Explanation (e) to Recommendation 3.3.

⁹ Explanation (f) to Recommendation 3.3.

<i>Election Process</i>		the Company's directors and define 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; ¹⁰
<i>Review and Evaluate Qualifications</i>	(b)	Review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval;
<i>Pre-Screen Nominees</i>	(c)	Pre-screen and shortlist all candidates nominated to become members of the Board, subject to the pertinent provisions of the By-laws on the disqualification of persons engaged in business antagonistic to that of the Company;
<i>Recommendations</i>	(d)	Submit its findings and recommendations to the Board for approval;
<i>Observe Nomination Guidelines</i>	(e)	Consider the following guidelines in the determination of the availability of a director to serve as such: <ul style="list-style-type: none"> • the nature of the business of the corporations of which he is a director; • age of the director; • number of directorships/active memberships and officerships in other corporations and organizations; • possible conflict of interest; • experience from other boards; • experience as chief executive officer or chief operating officer; • knowledge of finance; • knowledge of accounting; • knowledge of the industry of the Company; • knowledge of the local and international market and strategic vision; and • contacts of value to the Company;
<i>Review Election and Replacement Process</i>	(f)	Assess the effectiveness of the Board's processes and procedures in the election or replacement of directors; and
<i>Delegate Functions</i>	(g)	Request the assistance of the Company's Human Resources Director/Manager in carrying out its duties.

¹⁰ Explanation (g) to Recommendation 3.3.

5.3. Compensation/Remuneration

Duties and Functions In the exercise of its responsibility of reviewing and evaluating compensation/remuneration of the Company, and with due regard to the overall remuneration policies and procedures of the LafargeHolcim Group, the Committee has the following duties and functions:

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| <i>Remuneration Policy</i> | (a) Establish a formal and transparent procedure for developing a policy on remuneration and for fixing the remuneration packages of directors and corporate officers and provide oversight over remuneration of senior Management and other key personnel ensuring that compensation is consistent with the Company's culture, strategy and business environment; ¹¹ |
| <i>Amount of Remuneration</i> | (b) Designate the 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, subject to approval of the Board; |
| <i>Full Business Disclosure</i> | (c) 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 with their performance of duties once hired; |
| <i>Disallow Fixing of Remuneration</i> | (d) Disallow any director to decide his or her own remuneration; ¹² |
| <i>Compensation Disclosure</i> | (e) Consistent with the regulations of the SEC, provide in the Company's annual reports and information statements a clear, concise, and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year; ¹³ |
| <i>Personnel Handbook</i> | (f) Review the existing Human Resources Development or Personnel Handbook to strengthen provisions on conflict of interest, salaries and benefit policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be met periodically in their respective posts; and in the absence of such the Personnel Handbook, cause the development of such, |

¹¹ Explanation (h) to Recommendation 3.3.

¹² Recommendation 2.5.

¹³ Recommendation 8.4.

covering the same parameters of governance stated above.

6. MEETINGS

In General	To provide a systematic guide for the discharge of its responsibilities, the Committee will agree on an annual calendar/schedule of activities that shall determine the agenda for each meeting subject to adjustments and/or revisions as needed. The Company's Corporate Secretary will ensure that the schedule is carried out as planned.
Frequency of Meetings	The Committee shall hold meetings at such times and places as it considers appropriate, provided that one (1) meeting shall be held after the close of the nomination period for the election of directors and prior to the finalization of the Company's information statement; and one (1) meeting shall be held for a review of the Company's compensation plan for the year.
Authorized Conveners	Meetings of the Committee shall be convened by the Committee Chairman as and when he considers appropriate, or upon the request of a majority of the members of the Committee.
Presiding Officer	The Committee Chairman shall preside over all meetings. In the absence of the Committee Chairman, the remaining Committee members present constituting a quorum shall designate a presiding officer.
Agenda	<p>The agenda for the meetings shall be developed by the Corporate Secretary in coordination with the Board of Directors and such other officers relevant to the performance of the Committee's functions based on the agreed calendar of activities and inputs from the Committee members, subject to the approval of the Committee Chairman.</p> <p>The meeting agenda shall be prepared for every meeting and provided to the Committee members, along with the briefing materials, five (5) business days before the scheduled Committee meeting.</p>
Notice	<p>A Committee meeting shall be convened upon notice thereof made in the most convenient manner not less than five (5) business days before such meeting specifying the date, time, place, and agenda of the meeting.</p> <p>Notices of meetings, and any other forms of notification to be sent to the Committee shall be initiated by the</p>

Corporate Secretary or the designated representative and approved by the Committee Chairman. Replies to notices shall also be sent to the Corporate Secretary and/or the designated representative.

Each member shall give to the Corporate Secretary an office address and email address for the service of notices of meetings of the Committee.

Notice of a meeting of the Committee shall be deemed to be duly served upon a member if it is given to him personally, or delivered to him by mail or email as appropriate, in accordance with the immediately preceding paragraph.

Waiver of Notice

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 any such waiver may apply retrospectively.

Manner of Attendance

The members of the Committee shall be authorized to attend the Committee meetings by any of the following means of communication: teleconferencing, videoconferencing, web conferencing and other remote or electronic means. The requirement of presence is met if members of the Committee are able to communicate simultaneously.

Quorum and Voting

At any meeting of the Committee, quorum shall consist of at least a majority of the members of the Committee present throughout the meeting. A meeting shall not proceed in the absence of a quorum. All resolutions of the Committee shall require the affirmative vote of a majority of the members present in such meeting at which there is a quorum.

Adoption of Resolutions

To the extent possible, the Committee shall make decisions and resolutions by consensus. Where such is not possible, the Committee Chairman may call for a division of the house in which case a resolution shall be passed by a simple majority of votes of the members present at such meeting.

Each member, including the Committee Chairman, shall have one (1) vote.

A resolution in writing signed by at least a majority of the members of the Committee present shall be as valid and

effective for all purposes as a resolution of the Committee passed at a meeting of the Committee duly convened, held and constituted.

Escalation

If the Committee decides to take any action to which any member objects, such member shall have the right, by notice in writing to the Committee Chairman within ten (10) days after such meeting, to require the Committee to reconsider its decision in a separate meeting. If, after such reconsideration, any member objects to the action which the Committee has decided to take at the second Committee meeting, then said member shall be entitled, by notice in writing to the Board (together with any relevant supporting materials) within ten (10) days from the date of the second Committee meeting, to require the particular matter to be considered and finally decided by the Board at its next scheduled meeting, the decision of which is final and binding. Any action proposed to be taken by the Committee which is the subject of the foregoing procedures shall be held in abeyance, and shall be deemed for all purposes not to have been taken, during the pendency of such procedures.

Minutes

Minutes of Committee meetings shall be prepared by the Corporate Secretary, and signed by the Committee Chairman and the members of the Committee present.

Contents of Minutes

The Committee Minutes shall contain a record of the following:

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| <i>Date/Place/Time</i> | (a) Date, place and time of the meeting; |
| <i>Members Present/Absent</i> | (b) Presence and absence of the members of the Committee and other participants; |
| <i>Chairman/Corporate Secretary</i> | (c) Name and signature of the Committee Chairman, Corporate Secretary and the members of the Committee present; |
| <i>Resolutions</i> | (d) Wording of resolutions passed, indicating the outcome of the votes and objections put to record of any member of the Committee; |
| <i>Discussions</i> | (e) Summary of the main points of the discussions; |
| <i>Statement for the Record</i> | (f) Statements for the record made by a member of the Committee; |
| <i>Requests for information</i> | (g) Requests for information and summary of the respective replies. |

Records

The Committee shall cause records to be kept for the following:

- (a) appointments and resignations of the members/advisors;

- (b) all agenda and other documents sent to the members/advisors; and
- (c) minutes of proceedings and meetings of the Committee.

Any such records shall be opened for inspection by any member/advisor upon reasonable prior notice during usual office hours of the Company.

**Circulation/
Approval**

The minutes shall be circulated to the members of the Committee within fifteen (15) business days after the meeting and submitted for approval at the next Committee meeting.

**Participation of
Management and
Other Parties**

The Committee Chairman and/or any of its members may meet separately with Management to discuss any matter that the Committee or any of the foregoing persons believe should be discussed privately. The Committee may also request any officer, executive, or employee of the Company or the Company's outside counsel or third party consultants to attend a meeting of the Committee or to meet with any Members or consultants of the Committee.

7. REPORTING PROCEDURES

In General

To keep the Board apprised on the results of the Committee's activities, the Committee Chairman shall report to the Board following each meeting significant matters discussed and acted upon.

Annual Report

The Committee Chairman shall submit and present the Annual Committee Report to the full Board during its first meeting following the immediate calendar year.

8. PERFORMANCE EVALUATION AND CONTINUOUS IMPROVEMENT

In General

To ensure that the Committee continues to fulfill its responsibilities in accordance with global standards and practices, the CG Code, and other relevant regulatory requirements, the Committee shall, in close consultation with the Chairman of the Board, conduct an assessment of its performance at least annually. The entire assessment process should be documented and should form part of the records of the Company.

Powers and Duties

In the performance of the foregoing duties, the Committee shall:

Self-Evaluation

- (a) As a body, evaluate its performance by filling up a

self-assessment worksheet that shall benchmark its practices against the expectations set out in this Charter.

Independent Assessment

(b) The Committee shall obtain and subject itself to an independent assessment by the Board relative to its performance in accordance with expectations set out in this Charter and the discharge of its responsibilities.

Plans for Improvement

(c) Based on the results of the self-assessment; formulate and implement plans to improve its performance. These shall include the identification of relevant training needs intended to keep the Committee members up-to-date with corporate governance best practices.

9. FINAL PROVISIONS

Effectivity

This Charter was approved by the Board on 24 April 2017, and shall become effective on 1 June 2017.

Periodic Review

This Charter shall be reviewed by the Board and as and when deemed appropriate. Such review to take place at least every two (2) years.

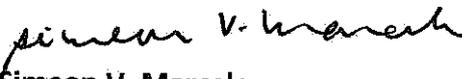

Tomas I. Alcantara
Chairman


Daniel N. Bach
Director


David L. Balangue
Director


Yasuo Kitamoto
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Martin Kriegner
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Simeon V. Marcelo
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Eduardo A. Sahagun
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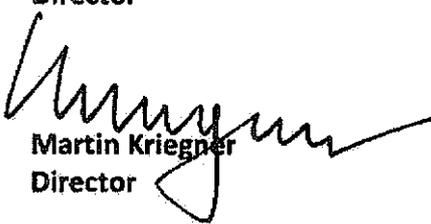
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