

Upson International Corp.
Corporate Governance Committee
Charter

I. Introductory Statement

This Corporate Governance Committee (or “CGCom”) Charter enumerates the composition and members’ qualifications, duties and responsibilities, and other rules and procedures of the Corporate Governance Committee of Upson International Corp. (“Upson” or “UIC”), which may be necessary for the CGCom to effectively perform its function to assist the Board of Directors (the “Board”) of Upson.

II. Composition and Members’ Qualifications

- a. The Corporate Governance Committee shall be composed of at least three (3) appropriately qualified members, at least two (2) of whom shall be independent directors, including its Chairperson.
- b. The Board shall appoint the members, including the Chairperson, of the CGCom.
- c. In case of vacancy, the Board shall appoint a qualified replacement to avert possible impairment to the Corporate Governance Committee’s functions.

III. Duties and Responsibilities

The CGCom is tasked in ensuring compliance with and proper observance of corporate governance principles and practices. It has the following duties and functions, among others:

- 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 UIC’s size, complexity and business strategy, as well as its business and regulatory environments;
- b. Oversee the periodic performance evaluation of the Board and its committees as well as executive management;
- c. Ensure that the results of the evaluation of the Board, its committees, and key officers are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
- d. Recommend continuing education/training programs for directors, assignment of tasks/projects to Board committees, and succession plan for the Board members and senior officers;

- e. Adopt corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance; and
- f. Propose and plan relevant trainings for the members of the Board.
- g. Regularly appraise the Board of its committee activities. The appraisal shall include an annual CGCom report and/or matters to be ratified, endorsed, or approved by the Board.
- h. Annual review of this Charter. If deemed necessary, the updating of this Charter shall be endorsed to the Board for approval.
- i. The compliance with regulatory requirements concerning corporate governance matters, subject to the Board's review and approval.
- j. Other functions, as delegated by the Board, shall also be performed by the Corporate Governance Committee.

IV. Meetings

- a. The Corporate Governance Committee shall meet at least twice every year, which may also be attended by the President and/or Chief Executive Officer, other management team members, and external experts, as it may deem necessary.
- b. The majority of the CGCom members shall be required to constitute a quorum, carry an act, or approve a resolution.
- c. Minutes of CGCom's meetings shall be recorded and made available for inspection purposes.
- d. Members of the Corporate Governance Committee and other invited attendees who cannot physically attend a meeting can participate through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate, and shall be considered present during the meeting.
- e. A CGCom member who has a potential interest in any related party transaction must recuse from participating in the discussion of the related party transaction without prejudice to compliance with the requirements of Section 31 of the Revised Corporation Code.

V. Other Rules and Procedures

- a. An annual evaluation shall be conducted to assess the Corporate Governance Committee's performance, and to determine, implement, and monitor plans to improve its performance.
- b. The CGCom shall be assisted by the Management team in the execution of its functions.

- c. In the fulfillment of its functions, the Corporate Governance Committee shall be guided by Upson's mission and vision.
- d. This Charter likewise directs the CGCom to adhere with best local and international standards and practices, subject to the Audit Committee and Board's discretion.