

# **PETRON CORPORATION EXECUTIVE COMMITTEE CHARTER**

## **INTRODUCTION**

The Executive Committee of Petron Corporation (the “Company”) was constituted by the Board of Directors pursuant to the provisions of the by-laws of the Company.

This Executive Committee Charter (this “Charter”) sets out the composition, functions, and responsibilities of the Executive Committee and the rules of procedure that will guide the function of the Executive Committee.

## **PURPOSE**

The Executive Committee shall generally exercise the powers of the Board of Directors when the latter is not in session.

## **COMPOSITION**

The Executive Committee shall be composed of three (3) regular members, with two (2) alternate members who shall sit in the event that any one of the regular members is unable to attend the meeting.

The Chairperson of the Board of Directors shall act as the Chairperson of the Executive Committee.

The Board of Directors will appoint the members of the Executive Committee at the organizational board meeting that follows each annual stockholders’ meeting or at any earlier time as the Board of Directors may deem necessary.

The Corporate Secretary of the Company is the secretary of the Executive Committee.

The Executive Committee may appoint one or more persons to act as advisor to the committee who may attend the meetings of the committee but shall have no right to vote.

## **MEETINGS; COMMITTEE APPROVALS**

The Executive Committee shall meet at such times and places as it considers appropriate, when the Board of Directors is not in session. The Chairperson may call a meeting at any time during this period as needed.

All committee members are expected to attend each meeting, in person or via tele- or video-conference. The meetings are limited to the committee members and whoever is authorized by the Executive Committee to attend. In the absence of the Chairperson during any meeting, a chairperson for the meeting shall be designated by the members present.

As necessary, the Executive Committee will invite members of management and organization staff or any independent adviser to provide pertinent information or data.

The Executive Committee, through the Corporate Secretary of the Company, distributes the notice, the agenda, and the appropriate committee materials at least two (2) days before any meeting so the members can intelligently review the various matters raised.

A majority of the members of the Executive Committee shall constitute a quorum for the transaction of the committee's business.

The Executive Committee shall act only on the affirmative vote of a majority of its members at a meeting or, to the extent allowed by law, by unanimous written consent of the members.

## **DUTIES AND RESPONSIBILITIES**

The Executive Committee, when the Board of Directors is not in session, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation, except with respect to: (a) the approval of any action for which stockholders' approval is also required; (b) the filling of vacancies in the Board of Directors; (c) the amendment or repeal of the by-laws or the adoption of new by-laws; (d) the amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable; or (e) a distribution of dividends to the stockholders; and (f) such other matters as may be specifically excluded or limited by the Board of Directors.

## **REPORTING PROCEDURES**

The decisions and recommendations made by the Executive Committee shall be reported to the Board of Directors.

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

## **PERFORMANCE EVALUATION; CHARTER REVISION**

The Executive Committee shall periodically assess its effectiveness by comparing its performance with the requirements of this Charter and the CG Manual to ensure compliance with this Charter, the CG Manual, and best practice. The assessment will also for the basis for the formulation of objectives and plans for the improvement its performance.

The Executive Committee may likewise be subject to an independent assessment by the Board of Directors.

The Executive Committee shall also review and assess the adequacy of this Charter annually or as conditions dictate to ensure that this Charter is continuously aligned and consistent with the objectives and responsibilities of the Board of Directors. It shall recommend any modifications to this Charter as deemed appropriate and obtain the approval of the Board of Directors for any such modifications.