

ENERGY DEVELOPMENT CORPORATION

Operations Committee Charter

I. MISSION

The Operations Committee is a creation of the Board of Directors whose mission is to provide guidance on and close monitoring of the Company's operations and other company interests.

The Operations Committee has decision-making authority for the matters specified below.

II. COMPOSITION

The Operations Committee shall be composed of six members of the Board of Directors, the CEO and the Senior Vice-President (SVP).

A Committee Secretary, with at least the rank of a Manager, shall be assigned with the responsibility of preparing the Minutes of the Meeting for approval by at least three (3) members of the Board of Directors. This function shall be rotated every three (3) months among the Managers.

III. DUTIES AND RESPONSIBILITIES

The Operations Committee shall deliberate, review and recommend all matters that will require:

1. Approval of the EDC Board;
2. Approval of all proposals for expenditures with amounts of over P 50.0 Million up to, and including P250.0 Million, subject to the exception that all transactions considered to be not in the usual course of business , including related-party transactions, shall require the approval of the Board of Directors; (Amended pursuant to Board Resolution No. 3, series of 2014 dated January 21, 2014) ; and
3. Assignments that may be delegated by the Board to the Committee.

The matters for decision of the above authorities relate to the following:

- i. Policy
- ii. Organization/Personnel
- iii. Finance
- iv. Expenditures
- v. Budget
- vi. Fixed Assets

- vii. Procurement
- viii. Credit
- ix. Sales
- x. Inventories
- xi. Legal
- xii. Insurance; and
- xiii. General energy operations
- xiv. Other matters that may arise from time to time

The Operations Committee may create sub-committees to perform specific tasks or undertake special projects as it may deem necessary.

IV. MEETINGS

Three (3) members of the Board of Directors present will constitute a quorum for the meeting. *The Operations Committee shall meet once every quarter, unless business exigencies call for more frequent or less meetings.* Other days may be scheduled as approved by the President. Depending on the topics for discussion, specific Managers may be requested to participate in the meetings. *(Amended January 30, 2013)*

V. REPORTING PROCEDURES

The Committee shall report to the EDC Board a summary of the actions taken by the Committee on a monthly basis.