

SAN MIGUEL PURE FOODS COMPANY, INC. EXECUTIVE COMPENSATION COMMITTEE CHARTER

This Executive Compensation Committee Charter (“this Charter”) sets out the role authority, duties and responsibilities of the Executive Compensation Committee (the “Committee”) of San Miguel Pure Foods Company, Inc. (the “Company”), and the procedures which guide the conduct of its functions.

1. PURPOSE

Pursuant to the Company’s By-laws and Manual on Corporate Governance (the “Manual”), the Board of Directors of the Company (the “Board”) constituted the Committee to aid the Board in ensuring adherence by the Company to the best practices of good corporate governance. Specifically, the Committee has the overall responsibility for the evaluation and review of the Company’s compensation plans, policies, and programs for executive officers, the adoption of policies that govern the Company’s compensation and benefit programs, the oversight of plans for executive officers’ development and succession, and the fulfilment of its responsibilities as set forth in this Charter. The Committee is accountable to the Board for its performance.

2. MEMBERSHIP AND QUALIFICATIONS

2.1 Composition. The Committee shall be composed of at least three (3) members of the Board, at least one (1) of whom shall be an Independent Director as defined in the Manual.

2.2 Qualification. Each member of the Committee shall have the qualifications and none of the disqualifications of a Director, as set out in the Manual. The Chairman and the members of the Committee are appointed by the Board.

2.3 Appointment. The Chairman and the members of the Committee are appointed by a majority vote of the members of the Board constituting a quorum either during the Organizational Board Meeting of the Company or, if there is a vacancy, during any meeting of the Board constituting a quorum. Membership shall be reviewed every year after election of the Board by the Company’s stockholders at their annual meeting, or earlier if the Board deems necessary.

2.4 Removal. The Chairman and members of the Committee may be removed from the Committee only by a majority vote of the Board.

3. STRUCTURE AND OPERATIONS

3.1 Meetings. The Committee shall meet at such times and places as it considers appropriate, but no less than two (2) times a year. The Chairman of the Committee, any Committee member, or the Corporate Secretary of the Company may call a meeting of the Committee.

3.2 Quorum. Attendance of at least two (2) Committee members shall constitute a quorum for the Committee to transact business. The Committee shall act only on the affirmative vote of at least a majority of the members present at a meeting at which there is a quorum.

3.3 Chairman. The Chairman of the Committee shall preside in all meetings of the Committee. In the absence of the Committee Chairman, the Committee members present shall elect one of their members as Chairman of the meeting.

3.4 Secretary of the Meeting. The Company's Corporate Secretary shall be the secretary of the Committee.

3.5 Notice of the Meeting. A notice of each meeting confirming the date, time, venue, and agenda shall be sent to each member of the Committee at least two (2) working days prior to the date of the meeting. The notice will include the agenda to be discussed during the meeting.

3.6 Record of Meetings. Full minutes of the proceedings of, and resolutions made during, Committee meetings, shall be kept by the Corporate Secretary. Draft minutes shall be sent to the Committee members for their comment. Notices, minutes, agenda and supporting papers will be made available to any Director upon request to the Corporate Secretary.

3.7 Other Attendees. As necessary, the Committee may invite members of management, and organization staff to attend the Committee meeting and provide pertinent information or data. At the discretion of the Committee, separate meetings with any member of the Company's management may be held, whenever it is deemed appropriate by the Committee for the exercise of its functions.

3.8 Access to Resources. The Committee shall have full access to management, personnel and records for the purpose of performance of its duties and responsibilities hereunder. The Committee may also obtain external legal counsel or independent professional advice if it considers it necessary in the performance of its functions. The Committee shall be provided with sufficient resources by the Company to discharge its duties.

4. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee are to:

4.1 In respect of the remuneration of corporate officers and Directors:

4.1.1 Make recommendations to the Board on the Company's policy and structure for remuneration of Directors and senior management, and on the establishment of a formal and transparent procedure for developing policy on such remuneration;

4.1.2 Provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Company's culture, strategy and control environment;

4.1.3 Ensure that the Company (i) has coherent remuneration policies and practices which are observed and which enable it to attract and retain executives and Directors who will create value for shareholders and support the Company; and (ii) fairly and responsibly rewards executives, taking into consideration the performance of the Company, the performance of such executives and the general pay environment;

4.1.4 Provide in the Company's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation that may be paid, directly or indirectly, to its Directors and senior executive officers for the previous fiscal year and the ensuing year; and

4.1.5 Ensure that no Director is involved in deciding his own remuneration.

4.2 In respect of the business interest disclosures and conflict of interest:

4.2.1 Ensure that the Full Business Interest Disclosure is part of the pre-employment requirements for all incoming officers, which among others, compel all officers to declare all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired;

4.2.2 Review the Company's policy on conflict of interest; and

4.2.3 Review the existing, or cause the development of a Human Resources Development or Personnel Handbook to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.

4.3 In respect of career advancement:

4.3.1 Review and recommend to the Board all promotions and appointments of officers of the Company; and

4.3.2 Review Company policies on promotion and career advancement directives and compliance of personnel concerned.

4.4 Others. The Committee shall perform other duties and activities that the Committee or the Board considers appropriate in the context of this Charter.

5. REPORTING PROCESS

5.1 The Chairman of the Committee, or in his absence, the member elected by the members present in a meeting, shall report to the Board on the decisions and recommendations made by the Committee following each meeting.

5.2 The Committee shall prepare an annual report of its activities to the Board, which may be included in the Company's annual report.

6. PERFORMANCE EVALUATION

6.1 The Committee shall assess its effectiveness periodically, with a view to ensuring that its performance accords with best practice. Such assessment must compare its performance with the requirements of this Charter, which shall be the basis of its formulation of objectives and plans to improve its performance, including any recommendations for amendments to this Charter for approval by the Board.

6.2 This Charter shall be reviewed annually, updated as required, and shall be made available to any requesting party upon written request to the Corporate Secretary.

7. AMENDMENT

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