



**ASIA PACIFIC
MEDICAL CENTER**
(APMC)-AKLAN INC.

(Formerly Allied Care Experts (ACE) Medical Center-Aklan Inc.)

BOARD NOMINATION AND ELECTION POLICY

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POLICY STATEMENT

The Board recognizes the importance of having a qualified and competent Board to achieve Company objectives as well as to protect the interest of all its stakeholders and shall ensure that proper nomination and election process is in place to attain this.

SCOPE AND COVERAGE

To institute policy and process for the nomination and election of the Board of Directors.

NOMINATION

1. The Board Nomination and Election Committee (the "Committee") shall oversee the process for the nomination and election of the Board of Directors.
2. All shareholders, regardless of their shareholdings, shall have the right to nominate, elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.
3. The nomination shall be in writing duly signed by the nominating stockholder or representative duly authorized in writing, with the written acceptance and conformity of the nominee. The nomination must indicate whether the nominee is intended to be an independent director and shall contain the nominee's age, educational attainment, and full disclosure of work and/or business experience and/or affiliations.
4. The prescribed Nomination Form may be used for convenience. In addition to the Nomination Form, the Nominees for Independent Directors shall also submit a Certificate of Qualification a format of which shall be provided by APMCAI.
5. The Committee shall pre-screen and shortlist all candidates nominated to become members of the board of directors in accordance with the list of qualifications and disqualifications as defined in the Company's Corporate Governance Manual with due consideration of the requirements of the Corporation Code, the Securities Regulation Code, the Code of Corporate Governance and relevant SEC Circulars (such as the SEC Memorandum Circular No. 16, Series of 2002 and SEC Memorandum Circular No. 24, Series of 2019), as may be amended, relating to the board directors.
6. If there is not enough nominees for directors and/or independent directors, the Nominations and/or Corporate Governance Committees, jointly or separately, as may be agreed upon among the members,



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may by majority vote nominate such number of nominees for the said position/s and include them in the final list to be submitted at the stockholders' meeting.

7. All nominations for directors to be elected by the stockholders of the Corporation shall be submitted in writing to the Corporate Secretary of the Corporation at the principal office of the Corporation not earlier than sixty (60) days nor later than forty five (45) days prior to the date of the regular or special meeting of the stockholders for the election of the directors. Nominations which are not submitted within such period shall not be valid. Only stockholder of record entitled to notice of and to vote at the regular or special meeting of the stockholders for the election of directors shall be qualified to be nominated and elected a director of the Corporation.
8. The Committee shall meet to pre-screen all nominees, and shall submit a Final List of Candidates to the Corporate Secretary on such date as may be unanimously agreed upon by the Committee and communicated to the Corporate Secretary, so such list may be included in the Company's Preliminary and Definitive Statements. The list of the nominees for election as members of the Board, as determined by the Committee, shall be final and no other nomination shall be entertained or allowed after the final list of nominees is prepared. No further nominations shall be allowed on the floor during the actual Annual Stockholders' Meeting.
9. In case of vacancy in the Board other than removal of a director or expiration of term, the Committee shall determine and identify the qualified nominee and recommend to the Board, if the remaining directors still constitute a quorum, to elect such qualified nominee to fill the vacancy. Taking into consideration the requirements set forth in their respective Charters, the Committee shall identify and recommend directors to fill vacancies set forth in their respective charters.

The Nomination and Election Committee shall be guided by and shall ensure compliance with the SEC Memorandum Circular No. 16 Series of 2002 in the conduct of the nomination and election process.

EXHIBITS

Exhibit 1 – Nomination Form

Exhibit 2 – Signed and Notarized Acceptance of the Nominee

Exhibit 3 – Certificate of Qualification of Independent Directors

LEGAL BASIS

Revised Code of Corporate Governance

SEC Memorandum Circular No. 16 Series of 2002

SEC Memorandum Circular No. 24, Series of 2019

ELECTION

1. The conduct of the election of director/s shall be made in accordance with the standard election procedures prescribed in APMCAI's by-laws which must be consistent with pertinent laws, rules and regulations of the SEC.
2. At all meetings of stockholders, a stockholder may vote in person, remote communication or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact. Unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been represented to the secretary.
3. All proxies must be in the hands of the Secretary not later than seven (7) days before the scheduled meeting.¹ Based on the scheduled stockholders' meeting, the deadline of submission is on the FIRST SATURDAY OF APRIL on or before 5:00 p.m. Such proxies filed with the Secretary may be revoked by the stockholder concerned either in an instrument in writing duly presented and recorded with the Secretary prior to a scheduled meeting or by his personal presence at the meeting. The decision of the Secretary on the validity of the proxies shall be final and binding until set aside by a court of competent jurisdiction.
4. Voting for the election of members of the Board of Directors shall be by shares of stock, that is, one share entitles the holder thereof to one vote, two shares to two votes, etc., but in the election of members of the Board of Directors, any stockholder may cumulate his vote as provided for in the Corporation Law.
5. In the election of members of the Board of Directors, the fifteen (15) nominees receiving the highest number of votes shall be declared elected.

¹As amended by at least majority of the members of the Board of Directors, and by the stockholders representing at least 2/3 of the outstanding capital stock of the Corporation at their respective meetings held on 4 June 2020 and 14 June 2020 via remote communication.



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ELECTION OF INDEPENDENT DIRECTORS

- a. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent director/s. He shall ensure that independent directors are elected during the stockholders' meeting.
- b. Specific slot/s for independent directors shall not be filled-up by unqualified nominees.
- c. In case of failure of election for independent director/s, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.

PUBLICATION

The result of the elections shall be published in the Company Website within 30 days from the date of election.

POLICY REVIEW

The Corporate Governance Committee shall review the Policy annually to assess its effectiveness. The Committee shall discuss and recommend amendments to the Board, as it deemed necessary.

EFFECTIVITY

This Policy shall take effect upon approval by the Board of Directors and shall continue to be in full force unless superseded by new polices and guidelines.