

**NOMINATIONS AND CORPORATE GOVERNANCE
COMMITTEE CHARTER
(As approved by the Board on 26 June 2020)**

The Board of Directors (“Board”) of **Marcventures Holdings, Inc.** (“MHI” or the “Company”) hereby adopts this Charter of its Nominations and Corporate Governance Committee (the “Committee”) which is tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.¹

1. MEMBERSHIP

- 1.1 The Nominations and Corporate Governance Committee shall be composed of at least three (3) directors, majority of whom should be independent directors, including the Chairman.²
- 1.2 The Board shall appoint the members of the Committee, including a Chairman.
- 1.3 Members of the Committee may be removed or replaced, and any vacancies in the Committee shall be filled by the Board.
- 1.4 The term of a Committee Member shall be for one year. Committee Members may be replaced at any time by a majority vote of the members of the Board currently in office. A Member’s cessation as a Board Director means his automatic termination as a Committee Member.
- 1.5 Any vacancy in the Committee due to death, resignation or disqualification of any member, or by any cause, may be filled by the Board. The member elected to fill the vacancy shall hold office for the remainder of the term.
- 1.6 Committee Members shall be entitled to committee membership per diems or fees.

2. POWERS, DUTIES AND RESPONSIBILITIES³

2.1. Nominations

- a. Oversee the nomination and election process for the company’s directors;

¹ Section 3.3, 2020 Revised Manual on Corporate Governance.

² Ibid.

³ Section 3.6.3, *ibid.*

- b. Screen and shortlist qualified individuals in order to ensure that all nominations are fair and transparent and in accordance with applicable laws, regulations, listing rules and the Company's policies;
- c. Ensure the provision of the integrity of the election process in the Company.

2.2. Corporate Governance

- 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 Corporation's size, complexity of operation 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, and conduct an annual self-evaluation of its performance;
- c. Ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
- d. Recommend the continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
- e. Adopt corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- f. Propose and plan relevant trainings for the members of the Board;
- g. Determine the nomination and election process for the Corporation's directors and defines the general profile of board members that the Corporation may need, and ensure that appropriate knowledge, competencies and expertise that complement the existing skills of the Board are adopted as standards and criteria for nomination and election; and
- h. Establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Corporation's culture and business strategy as well as the business environment in which it operates

3. NOMINATION AND ELECTION PROCESS FOR DIRECTORS⁴

⁴ Section 2.5.1, Ibid.



Reference No. MHI_LEG2020_PLY_003

- a. The Nominations Committee shall set a reasonable period for the submission of candidates for election to the Board. All nominations for directors submitted in writing to the Nominations Committee within such nomination period shall be valid. A stockholder of record, including a minority stockholder, 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 as a director.
- b. The Nominations Committee shall meet, pre-screen and check the qualifications of, and deliberate on all persons nominated to be elected to the Board from the pool of candidates submitted by the nominating stockholders. The Nominations Committee shall determine that the candidates possess all the qualifications and none of the disqualifications as director or independent director as set forth in the Corporation's By-laws and its amendment/s, the succeeding sections of this 2020 Revised Manual, the Code of Corporate Governance or under the Revised Corporation Code of the Philippines, and shall prepare a final list of candidates after considering the qualifications and disqualifications set forth. Said list shall contain all the information about these nominees. No other nomination shall be entertained after the final list of candidates shall have been prepared. The nomination and election process also includes the review and evaluation of the qualifications of all persons nominated, including whether candidates: (1) possess the knowledge, skills, experience, and particularly in case of non-executive directors (NEDs), the independence of mind given their responsibilities to the Board and in light of the Corporation's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth transition between board members. The process shall also include monitoring the qualifications of the directors.
- c. Based on the final list of candidates, directors are elected by stockholders individually. The vote required for the election of directors is majority of the outstanding capital stock. The election of directors shall be by ballot and each stockholder entitled to vote may cast the vote to which the number of shares he owns entitles him, for as many persons as there are to be elected as directors, or he may cumulate or give to one candidate as many votes as the number of directors to be elected multiplied by the number of his/her shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.
- d. To preserve the integrity of the election process, the Corporation shall employ the services of an external party to validate the voting results.



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- e. The eleven (11) directors shall be stockholders and shall be elected annually by the stockholders owning majority of the outstanding capital stock for a term of one (1) year and shall serve until the election and qualification of their successors.
- f. If any vacancy shall occur among the directors by death, resignation or otherwise, such vacancy may be filled by the remaining directors at any meeting at which a quorum shall be present. Any such vacancy may also be filled by the stockholders by ballot at any meeting or adjourned meeting held during such vacancy. Provided the notice of the meeting shall have mentioned such vacancy or expected vacancy. The stockholders at any such meeting may also, in case of like mention, accept the resignation of any director and fill the vacancy thereby caused for the unexpired term. In case of a vacancy in the Board, the remaining directors shall forthwith fill the vacancy or call a special meeting of the stockholders for that purpose.

4. MEETINGS

- 4.1 The Committee shall hold meetings as often as may be deemed necessary depending on the business operations of the Company.
- 4.2 A majority of the members of the Committee shall determine its action and fix the time and place of its meeting, unless the Board shall provide otherwise.
- 4.3 A written agenda and relevant meeting materials shall be provided to the Members at least three (3) days before each meeting and any other person/s invited by the Committee.
- 4.4 A majority of the Committee Members shall constitute a quorum, and the act of a majority of those present at any Committee meeting at which there is a quorum shall be the act of the Committee.
- 4.5 A resolution in writing signed or approved by letter, or email by a majority of Committee Members shall be as effective for all purposes as a resolution passed at a meeting of the Committee duly convened, held and constituted.
- 4.6 The Company's Corporate Secretary or his designated representative shall be the Secretary of the Committee in its meetings. The Corporate Secretary shall record and maintain the minutes of the meeting and present it to the Committee at the next meeting for approval.
- 4.7 The Committee shall provide copies of the minutes of each meeting to the Board as soon as practicable after each Committee meeting.



5. PERFORMANCE ASSESSMENT AND CONTINUOUS IMPROVEMENT

- 5.1 The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for review and approval.
- 5.2 The members of the Committee shall evaluate its performance based on best practices and expectations set out in this Charter and in applicable SEC and PSE issuances.
- 5.3 The Committee shall obtain and subject itself to an independent assessment by the Board based on best practices.
- 5.4 The Committee shall formulate and implement plans to improve its performance which may include relevant trainings to keep the Members up-to-date with corporate governance best practices.

6. COMMITTEE REPORTING

- 6.1 All actions of the Committee shall be reported to the Board in the meeting thereof following such action and may be subject to review, revision, revocation, or affirmation by the Board.
- 6.2 The Committee Chairman shall render a report on matters requiring the Board's proper disposition and attention regularly.
- 6.3 The Committee Chairman shall also prepare an annual report to the Board and shareholders that all responsibilities outlined in its Charter have been carried out.

7. AMENDMENT OR ALTERATION OF THIS CHARTER

This Charter shall not be amended, alter or varied unless duly approved by resolution of the Board.